Daily Report

Latin America

FBIS-LAT-89-154
Friday
11 August 1989

Daily Report
Latin America

FBIS-LAT-89-154 *11 August 1989*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

CARIBBEAN

Cuba

Commentary on Presidents Summit in Honduras *[Havana International]* 1
FRG Minister of State Arrives in Havana *[Havana TV]* 1
Tours Biotechnology Center *[Havana Radio]* 1
Meets With Vice President *[Havana TV]* 2
Malmierca Concludes Official Visit to SFRY *[Havana TV]* 2
Culture Minister Attends Meeting in Brazil *[Havana TV]* 2
Says Region Must 'Unite' *[Havana TV]* 2
News Conference on Human Rights Leader's Arrest *[Madrid EFE]* 2
Commentary on U.S. 'Double Standards' in Panama *[Havana Radio]* 3
Soviet Freighter Brings 10,000 Tons of Lumber *[Havana TV]* 3
Roberto Veiga Greets Internationalist Combatants *[Havana TV]* 4
PCC Politburo Member Tours Sancti Spiritus *[Havana Radio]* 4
Commentary on Cigarette Shortage in Havana *[Havana Radio]* 4
Public Health Vice Minister on AIDS Testing *[Havana Radio]* 4
Illegal Beer Store Uncovered in Old Havana *[Havana Radio]* 5
* More Worker Involvement in Planning Discussed *[TRABAJADORES 5 Jun]* 5

Antigua and Barbuda

Ruling Party Calls Opposition 'Irresponsible' *[CANA]* 7

Dominican Republic

Jorge Blanco Trial 'May Not' Resume 10 Aug *[Santo Domingo Radio]* 7
Santiago, La Vega Judges Reject Wessin's Remarks *[Santo Domingo Radio]* 8
More Criticism of Remarks *[Santo Domingo Radio]* 8

Grenada

New Senator Sworn In; Replaces Former Minister *[CANA]* 8

Haiti

Anti-U.S. 'Meddling' Week Begins 8 August *[Port-au-Prince Radio]* 8
CEP Holds Talks With Cap-Haitien Citizens *[Port-au-Prince Radio]* 9
PDCH Questions CEP *[Port-au-Prince Radio]* 9
Leogane Peasants Complain About Section Chief *[Port-au-Prince Radio]* 10
Delegation To Intervene on Peasants' Behalf *[Port-au-Prince Radio]* 10
Electricity Union Protests Murder of Members *[Port-au-Prince Radio]* 10
Further on EDH Demands *[Port-au-Prince Radio]* 10
Radio Soleil Employee Fired From Station *[Port-au-Prince Radio]* 11

Trinidad and Tobago

Political Party To Be Launched 10 Sep *[CANA]* 11

MEXICO

Foreign Secretariat Satisfied With Tela Summit *[Madrid EFE]* 12
Train Derailment Reported in Sinaloa *[Mexico City TV]* 12
94 Bodies Recovered *[Mexico City TV]* 12

CENTRAL AMERICA

Costa Rica

Reportage on USSR Parliamentarians Visit 13
Soviets Suspend Military Aid *[AFP]* 13
Urges Political Solution in Panama *[ACAN]* 13

El Salvador

Detective Charged With Attacking U.S. Nun *[San Salvador TV]* 14
Reportage on Possible Government, FMLN Talks 14
Foreign Minister on Dialogue *[San Salvador TV]* 14
Commander Discusses Tela Proposals *[AFP]* 15
Guerrilla Communique on Dialogue *[Radio Farabundo Marti]* 15
Opposition on Meetings *[San Salvador Radio]* 16
Guerrillas Claim Second Hit on Light Plane *[Radio Venceremos]* 16
Honduran Army Units Reportedly Raid San Miguel *[Radio Venceremos]* 17

Guatemala

Continuing Reportage on Teacher's Strike 17
State of Emergency Considered *[ACAN]* 17
Cerezo Against State of Emergency *[PRENSA LIBRE 10 Aug]* 17
Education Ministry Closes Private Schools *[Guatemala City Radio]* 17
1 Killed, 5 Wounded in Capital City Bomb Blasts *[AFP]* 17

Nicaragua

Government Offers Contras 'Safety Guarantees' *[AFP]* 18
Contras Say Cuban Lieutenant Killed in Clash *[ACAN]* 18

Panama

Reportage on U.S. Incidents With FDP Forces 18
Paper Views 8 Aug Incidents *[LA REPUBLICA 9 Aug]* 18
Military on 9 Aug Events *[Panama City Radio]* 19
U.S. Troops Take Over Checkpoint *[Panama City Radio]* 19
Further on Arraijan Occupation *[Panama City TV]* 19
Dignity Battalion Commander Reacts *[Panama City Radio]* 20
Noriega: 'Determined To Resist' *[ACAN]* 20
Commentary Warns of 'Detonation' *[Panama City Radio]* 21
FDP Communique Praises Soldiers *[Panama City Radio]* 21
FDP Linked to Radio, TV Broadcast Interference *[ACAN]* 22
COLINA Absent From Tripartite Dialogue *[Panama City TV]* 22
Rejects ADOC Plebiscite Proposal *[Panama City Radio]* 22
Institute Students Decree 24-Hour Strike *[Panama City TV]* 23
Archbishop Accused of Conspiring Against Country *[LA REPUBLICA 8 Aug]* 23
Comptroller Explains 13-Month Bonus Payment *[Panama City TV]* 24

SOUTH AMERICA

Argentina

Senate Approves Economic Emergency Bill *[BUENOS AIRES HERALD 10 Aug]* 25
'Main Points' of Bill Reported *[BUENOS AIRES HERALD 10 Aug]* 25
Air Force Chief on Political, Economic Issues *[TELAM]* 25
National Emergency Bond Program Announced *[NOTICIAS ARGENTINAS]* 26

Brazil

Joint Declaration Signed With Suriname *[Brasilia Radio]* 27
Government Plans To Privatize 14 State Companies *[Brasilia Radio]* 27

Chile

Defense Minister, DC President on Amnesty Law *[EL MERCURIO 31 Jul]* 27
Peruvian Military Chiefs Arrive for Talks *[Madrid EFE]* 28

Colombia

Barco Speech Commemorates Battle Anniversary *[Bogota TV]* 28
Government Minister on Peace Talks With FARC *[Bogota TV]* 29
Guerrillas Refuse Meeting With Presidential Aide *[AFP]* 29
* ELN Control, Influence in Arauca Detailed *[EL TIEMPO 2, 3 Jul]* 29

Paraguay

Communist Labor Leaders Denied Visas *[ABC COLOR 10 Aug]* 35
Government Ratifies Human Rights Convention *[ABC COLOR 9 Aug]* 36
Taiwan Government To Grant $50 Million Loan *[ULTIMA HORA 9 Aug]* 36

Peru

'State of Emergency' in Huarochiri Province *[Madrid EFE]* 36
National Electoral Court President Elected *[Lima TV]* 36

Uruguay

Foreign Minister Announces Budget Reduction *[Montevideo Radio]* 36
Zerbino on World Bank Loan, Bond Sold in Japan *[Montevideo Radio]* 37
Television To Be Broadcast by Satellite *[Madrid EFE]* 37
Interior Under Secretary Silva Confirmed *[Montevideo Radio]* 37

Venezuela

* Formal Application to GATT Submitted *[EL NACIONAL 15 Jun]* 37
* Salary Indexation To Promote Economic Growth *[EL NACIONAL 11 Jun]* 38
* Rodriguez, CTV Discuss Commercial Bank Debt *[EL NACIONAL 15 Jun]* 40
* Former President on Impact of Perez' Policies *[EL NACIONAL 19 Jun]* 41

Suriname

President Shankar Leaves To Visit Brazil *[Paramaribo International]* 41
Rensch Calls for Bouterse Resignation *[Bonaire Radio]* 42
Bouterse Acknowledges Crisis *[Paramaribo International]* 42

Cuba

Commentary on Presidents Summit in Honduras

PA1008183089 Havana International Service in Spanish 0000 GMT 9 Aug 89

["Our America" commentary read by Manolo Ortega]

[Text] The demobilization of counterrevolutionary groups, mostly based in Honduras, is a significant and historic decision by the five Central American presidents, which may actually lead the entire region along the road to peace.

After 2 days of meetings in the Honduran beach resort of Tela, the five presidents demonstrated to the world that they could join forces for the welfare of their people and disregard foreign pressures to preserve armed groups in the region.

Without doubt, Nicaragua is the country that has suffered the most because of attacks from groups financed by the United States. However it is also the country that has shown the most flexibility and goodwill throughout the years to achieve the country's peace and the end of tension in the entire Central American region.

Sandinist authorities not only took specific steps aimed at holding general elections next year, but they also reformed laws and carried out a successful dialogue with 21 opposition political parties, which supported the demobilization proposal taken to Honduras by President Daniel Ortega.

It would be unfair to say that this fifth summit did not have its share of differences and proposals which could have made the peace efforts fail; however parallelisms regarding the Salvadoran guerrillas failed to be imposed.

In this regard, the five Central American presidents asked the Salvadoran Farabundo Marti National Liberation Front [FMLN] to conduct a constructive dialogue to achieve a fair and lasting peace in their country, which had already been proposed by the rebel forces themselves. In addition, the Salvadoran Government was asked to grant full guarantees for the return of the guerrillas to a peaceful life.

During the summit, a bilateral agreement was also reached between Honduras and Nicaragua regarding a lawsuit at the International Court of Justice at The Hague, in which Nicaragua accuses Honduras of allowing its territory to be used by the contras to attack the Nicaraguan people.

Formally speaking, the joint plan approved by the five Central American presidents includes the creation, within the next 30 days, of the International Support and Verification Commission [CIAV], which should lead to the disarmament, demobilization, and relocation of the Nicaraguan mercenaries.

To end this commentary, we can add that in the next 90 days, or before December, the counterrevolutionary groups should be completely disbanded. These groups have been promoted, financed, and trained by the United States for 9 years.

Without doubt, and just as the presidents said at the end of the summit, everyone should contribute, as of now, to the accomplishment of these goals and to the achievement of lasting peace in Central America.

FRG Minister of State Arrives in Havana

FL1008122789 Havana Television Service in Spanish 0000 GMT 10 Aug 89

[Text] Today, the FRG's minister of state for foreign relations [title as heard], Helmut Schaefer arrived in Havana. Jose Raul Viera, acting Cuban minister of foreign relations, greeted the visitor at Jose Marti Airport.

In his first meeting with the press, Schaefer said that he wants to know the Cuban position regarding the peace process in Central America and southern Africa.

He said that the FRG Government has a positive outlook toward the agreements reached in the presidential summit held in Tela, Honduras because they point the way to a solution of the Central American conflict.

Within the next few days, the minister will meet with each of the five Central American presidents. Schaefer is the first member of the present FRG Government to visit Cuba.

Tours Biotechnology Center

FL1008203489 Havana Radio Reloj Network in Spanish 1933 GMT 10 Aug 89

[Text] Today, Mr Helmut Schaefer, assistant minister of the FRG's Ministry of Foreign Affairs [title as heard], visited Havana's Genetic Engineering and Biotechnology Center.

The FRG official visited the center in the company of (Kurt Heimmer), assistant director for the FRG's Ministry of Foreign Affairs' Latin America Division, (Soren Dent), Schaefer's assistant chief of dispatches, and (Otto Hedwoltz), assistant manager of the (Friedrich Noman) Foundation.

Dr Manuel Limonta, director of the center, gave the visitors an extensive briefing on the research work carried out in the center and the achievements they have had. After touring this modern installation, the German officials went to the Ministry of Foreign Relations to continue the official talks that began yesterday.

Meets With Vice President

FL1108004289 Havana Television Service in Spanish 0000 GMT 11 Aug 89

[Text] Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, has received the FRG's minister of state for foreign relations, Helmut Schaefer, and his accompanying delegation.

During the meeting, there was an extensive exchange of views on the present international situation, east-west and north-south relations, and the results of the Central American summit that was recently held in Tela, Honduras.

Malmierca Concludes Official Visit to SFRY

FL1108005789 Havana Television Service in Spanish 0000 GMT 11 Aug 89

[Text] Today, Cuban Foreign Minister Isidoro Malmierca concluded his official visit to Yugoslavia with an open, extensive, and productive meeting with Yugoslav President Janez Drnovsek.

The Cuban foreign minister conveyed President Fidel Castro's greetings to President Drnovsek. In the same way, and in perfect Spanish, the leader of Yugoslavia sent his most cordial greetings to the Cuban president, Communist Party of Cuba, and government.

The Yugoslav leader noted the important contributions President Castro has made to the Nonaligned Movement. He also said that he is certain that the ninth summit of the Nonaligned Movement, which will be held in Yugoslavia, will be successful. Drnovsek also said that he counts on the support of countries such as Cuba, nations that have always been very active in strengthening and developing this movement.

Culture Minister Attends Meeting in Brazil

FL1008134089 Havana Tele-Rebelde Network in Spanish 1100 GMT 10 Aug 89

[Text] Cuban Culture Minister Armando Hart Davalos has affirmed in Brasilia that the Cuban Revolution will strengthen its ideological vigor and its intrinsic ties with Latin America.

Hart held a 2-hour dialogue with journalists and the public at the University of Brasilia where he was introduced by Rector (Cristobal Guarque).

The Cuban minister is in the Brazilian capital to attend the first meeting for culture ministers of Latin America and the Caribbean which will begin today.

Says Region Must 'Unite'

FL1108133089 Havana Tele-Rebelde Network in Spanish 1100 GMT 11 Aug 89

[Text] Cuban Culture Minister Armando Hart [Davalos] has said in Brasilia that for Latin American and Caribbean nations, there is no other solution but to unite, and that culture and its promotion are key elements for that unity.

Hart spoke at the first work session of the culture ministers and state officials conference for the region which was opened by Brazilian President Jose Sarney. The Cuban minister said that Latin America and the Caribbean have a sacred duty to fulfill in this particular task. He added that they can only carry out this task with decisiveness and courage—and only with culture.

Hart also referred to the current unbelievable foreign debt figures and to the increasingly acute impoverishment of the Third World population—problems which provoke lack of control and violence problems.

The ministerial conference will examine, among other issues, the creation of a fund for development and intercultural exchanges, as well as for the support of joint projects.

News Conference on Human Rights Leader's Arrest

PA1108051889 Madrid EFE in Spanish 0405 GMT 11 Aug 89

[Text] Havana, 10 Aug (EFE)—The "Cuban Human Rights and National Reconciliation Commission," whose president, Elizardo Sanchez, has been arrested, today rejected the government's official use of the word "counterrevolutionaries" to describe Sanchez, Hubert Jerez, and Hiran Abi Cobas—who have also been arrested—and has asked for their release.

During a news conference, the commission said that the three arrested men, who are responsible for the illegal "Cuban Coordinating Board of Human Rights Organizations," "accept as a fact the progressive plan that inspired the 1959 revolution," but support the "free expression of constructive ideas."

Gerardo Sanchez denied that his brother had told the U.S. press that General Arnaldo Ochoa was drugged during the drug trafficking trial and that the authorities had refused to show the bodies of the soldiers executed in July to their families.

The commission said that "each group that makes up the coordinating board has its own way of seeing the situation, and they issue individual opinions."

GRANMA, the official newspaper of the Communist Party of Cuba, yesterday announced that Sanchez, Cobas, and Jerez would be tried for releasing "false information" to U.S. television and to the "anti-Cuban radio station sponsored by the U.S. Government."

Cuban state security agents this afternoon removed the barriers prohibiting access to the garage located in an annex of Elizardo Sanchez Santa Cruz' home, the official headquarters of the group, and said that the family will be allowed to see the prisoner on 14 August.

The commission has asked that the reporters to whom they made the statements be present at the oral hearing "and that they bring their recordings and notes as indispensable proof in this judicial case." They have also demanded the presence of international observers.

The organization has also asked Spanish President Felipe Gonzalez to act as mediator with the Cuban Government and to request the release of the arrested men.

Sanchez' mother has asked the Justice Ministry for authorization to have a lawyer, trusted by the family and who is not a member of the state's "group of lawyers," to act as defense attorney.

Commentary on U.S. 'Double Standards' in Panama
FL1008155689 Havana Radio Rebelde Network in Spanish 1040 GMT 10 Aug 89

[Commentary by Daniel Torres during "Haciendo Radio" program]

[Text] Western press agencies confirmed this morning that, during the last few hours, Panama was on the verge of a military confrontation with the United States when U.S. troops blocked access to Fort Amador and threatened to burst into the area where one of the offices of General Manuel Antonio Noriega operates. Reports indicate that shortly afterward, another armed incident occurred when U.S. and Panamanian soldiers aimed their weapons at each other after an armored vehicle was stopped in the area of (Puerto Alcon).

This morning in New York, the U.N. Security Council will meet at the request of Panama to examine the isthmian proposal against those provocative U.S. threats which are clearly to seek an excuse to carry out a possible Yankee intervention in that Central American country. For several months, Panama has been denouncing that possible U.S. intervention. This is occurring after the failure of all kinds of maneuvers that have been carried out against the isthmian people, who demand the fulfillment of the Torrijos-Carter treaty and the transfer of the canal to sovereign hands in the year 2,000, in other words, in 12 years.

Also during the past few hours, representatives of the opposition, Panamanian Defense Forces, and Panamanian officials will meet in the capital with the mediation of the OAS to continue a dialogue to find formulas for an agreement for the formation of a provisional government that will call for new elections.

However, the Yankee provocations, led by over 23,000 soldiers in the canal zone, and the economic and political harassment which it conducts against the Panamanian Government makes one speculate about the double standards of the United States in the conflict. On the one hand, the United States says it wants to use negotiation for the solution to the crisis, and on the other hand, it attempts a military violent coup which will perpetuate its presence in that area.

Yesterday, the opposition leader, Guillermo Endara, said he informed U.S. President George Bush by telephone on the conditions of the talks, which Bush wants to base on the exit of General Manuel Antonio Noriega. Beyond the actual proposal, it is clear that orders are being given from Washington to the opposition alliance.

However, the disagreement over the Panama Canal is not a technical dispute. For the Panamanians, that piece of interoceanic passage is a symbol of sovereignty and independence for which they have shed patriotic blood. Panama experienced triumph when General Omar Torrijos successfully carried out the canal negotiations, which mark the year 2000 as the date for the transfer this canal to isthmian hands. The Panamanian people are convinced that their triumph will not be stolen. Sovereignty and independence have never been negotiable, despite the fact that the United States is trying to ignore that history lesson.

Soviet Freighter Brings 10,000 Tons of Lumber
FL1108011389 Havana Television Service in Spanish 0000 GMT 11 Aug 89

[Text] A ship that arrived from the USSR with 10,000 tons of lumber has begun unloading its cargo at the Port of Havana. The Soviet freighter "Cherkassi" docked at the Haiphong marine terminal on the morning of 9 August with lumber for use in Havana.

At the port, four work shifts have been organized. These shifts work all day to speedily unload the cargo. Over 2,000 tons of lumber, which were directly sent to holding centers, have already been unloaded from the ship. With this type of organization, the 10,000 tons of lumber should be completely unloaded by next Tuesday [15 August] if the transportation sector also keeps up this pace of work.

This lumber is very necessary for projects being built in the capital.

Roberto Veiga Greets Internationalist Combatants

FL1008194489 Havana Tele-Rebelde Network in Spanish 1700 GMT 10 Aug 89

[Text] Some 150 combatants, who fulfilled their mission in the People's Republic of Angola, arrived in the fatherland before dawn today. Our internationalists received the first greetings in Cuban soil from Roberto Veiga, member of the Communist Party of Cuba Politburo; Carlos Pineiro, member of the PCC Central Committee; and other MINFAR [Ministry of the Revolutionary Armed Forces], MININT [Ministry of Interior], and political and mass organizations. Among the comrades who just arrived, 79 of them bear the First Class Medal, 47 the Cuito Cuanavale Defense Medal, and all of them bear the Cuba-Angola Victory Medal.

PCC Politburo Member Tours Sancti Spiritus

FL1008232389 Havana Radio Rebelde Network in Spanish 2303 GMT 10 Aug 89

[Text] Today, while touring centers in Sancti Spiritus, Jose Ramon Machado Ventura, member of the Communist Party of Cuba [PCC] Politburo, said that discussing the documents of the 16th CTC [Central Organization of Cuban Trade Unions] Congress should allow us to analyze difficulties and find solutions to them.

Machado Ventura, who is also a member of the PCC Secretariat of the Central Committee, said that the preparatory stage before the congress, as well as the sessions themselves, should be well prepared to deeply analyze problems of major interest and the nation's needs.

In the company of Jorge Valdes Rodriguez, member of the PCC Central Committee and first PCC secretary in Sancti Spiritus, Machado Ventura toured the Sancti Spiritus-Ciego de Avila portion of the national highway that is presently under construction. This part of the highway should be finished by the end of 1990. He also visited the Siboney factory where the nation's first white cement manufacturing facility is being tested. This factory will produce 100,000 tons of white cement every year.

Commentary on Cigarette Shortage in Havana

FL1008192389 Havana Radio Progreso Network in Spanish 2230 GMT 9 Aug 89

[Cristobal Sosa commentary]

[Text] If you are among the group of people who have not been able to stop smoking, even though you have decided to do so as soon as you have the first opportunity—opportunity which never seems to arrive—perhaps you have noted that there was a cigarette shortage in some areas in Havana. This may have happened because of a number of reasons.

It is understandable that it happened during the carnival, when most of the available resources, including transportation, are used for the festivities. This is understandable, of course. The only bad thing is that when there is a problem and it is not acknowledged, this gives cause for absurd remarks most of the time, and less frequently, accurate speculations.

The brief shortage of cigarette supply, which is already back to normal, created rumors; that they are not going to be distributed any longer and that there is going to be a shortage. This may have been caused by a number of problems—not always justifiable—which go from objective true facts to bad work, inefficiency, or lack of concern by someone.

The brief and insignificant shortage causes greater problems simply because of the silence. There are always people who, when they see there is a shortage of something, hoard the good and cause an artificial shortage. There is no doubt that no production would be able to handle an instance in which all of us went at the same time and bought unusual amounts of a certain good. This has happened several times already so examples are not necessary.

We believe this could be solved with a press note—not a long one full of figures and reasons but simply a note—explaining the difficulties that exist. Cigarettes are not our main concern but the method of work which does not let us know about the problems, efforts, and solutions of a specific case. We believe it can be handled in a different way to help us understand why a good is lacking in the market when it does not depend on imports, such as this case, but on ourselves.

Public Health Vice Minister on AIDS Testing

FL1008181589 Havana Radio Progreso Network in Spanish 2230 GMT 9 Aug 89

["Excerpt of an exclusive interview" with Dr Hector Terry, Cuban vice minister of public health, by Gisela Arandia; date and place not given—recorded]

[Text] [Arandia] Doctor, regarding the return of thousands of internationalists to Cuba, how is this handled? Are they checked in Angola before their departure?

[Terry] Well, our internationalists are spread out in many places. They are not only in Angola. We have some public health units abroad. We call them source control centers. For example, we have one in Nicaragua, another one in Mozambique, in Ethiopia, and Angola and in the places where we have the largest Cuban contingents working abroad. We have medical personnel, nurses, and laboratories where the comrades who are going to come to the country are checked first. In this way, we can begin to learn about their status from over there.

Each time a group arrives, it comes with a list those centers send with the results of the check-up. They are checked again for some things here in Havana when they arrive and the AIDS test is conducted again 6 months later. This is the way the program has been carried out since it began. We have tested everyone who has been in Africa between 1975 until now. That is, we have tested almost 400,000 people who have gone through the African Continent. We have only had 103 who are AIDS virus carriers.

We have never mentioned from which countries these people have come from, how they are distributed. Angola has been mentioned a lot and I believe, fortunately, Angola is the country from where we have had AIDS cases. We are not going to give figures on other countries because a myth has been created about AIDS with African countries. Once more, they have felt they have been sort of discriminated against because black Africa is the one with the greatest problem. This has served to distance or marginate citizens from black African nations who go looking for work in Western European countries. They have been marginated and have faced a number of obstacles linked to the AIDS problem. They have linked the AIDS problem with many social and racial prejudices. This has had an effect in the feelings of the rulers and peoples of Africa. We have been very careful about this and do not give figures on this type of problem. I can tell you that of approximately 400,000 Cubans who went through the African Continent, only 103 have been infected.

Illegal Beer Store Uncovered in Old Havana

FL1008185289 Havana Radio Progreso Network in Spanish 2230 GMT 9 Aug 89

[Police report]

[Text] Combatants of the first municipal unit of the PNR [National Revolutionary Police] of Habana Vieja Municipality have conducted an operation that uncovered a clandestine beer store in the home of citizen Andres Chamizo Zayas, who has a criminal record. Chamizo Zayas lives in 66 Suarez St, between Corrales and Apodaca. He sold beer, soft drinks, and foodstuffs for profit.

Thanks to this efficient police action, in addition to the main perpetrator, the following accomplices were arrested: Nicolas Chamizo Gonzalez, Mercedes Carrero Rosabal, Rolando Duarte Lahera, and Gloria Fernandez, as well as a group of people who were drinking beer, eating bread and steak, and pork pieces in the clandestine beer store.

During the police operation, the following were seized in the aforementioned home: iron rods, tiles, cement, wood, toilet bowls, three fans, music equipment, hundreds of bottles of beer and soft drinks, legs of pork, 243 pesos, $84, and other goods.

According to statements made by those accused of engaging in this illegal business, it was learned that the so-called clandestine pilot store was open from 1100 to 1500 because, according to them, the police is busy in other tasks during those hours.

All of those accused were taken to the aforementioned police station where they are in provisional imprisonment while the investigation continues. The investigation is aimed at uncovering everything regarding this illegal economic activity. They will later be turned over to the tribunal in charge of handing down the appropriate sentence in accordance with each person's criminal involvement.

* More Worker Involvement in Planning Discussed

32480187 Havana TRABAJADORES in Spanish 5 Jun 89 p 3

[Interview with Martha Cabrisas, a member of the Organizing Commission of the 16th Congress of the Cuban Workers Federation (CTC), by Jose Yanes; date and place not given]

[Text] Without beating around the bush, which would not have agreed with our dynamic, cool-headed interviewee, we immediately gave her the floor to discuss the first issue: why this new method of discussion was necessary.

"For several years now," Martha begins, "and especially over the past 2, the labor movement has been voicing its disagreement with the forms and methods that have been used in discussions of the economic plans with the workers, inasmuch as during this process there have appeared irregularities that in many cases cause irritation among the collectives and that can in essence be summarized in the following points that I will list:

"The short time available for discussion with the workers means that in many cases the enterprises submit their plans without discussing them with the workers, even though the assemblies are held later, which thus makes them purely pro forma.

"Moreover, the breakdown of numbers from the ministries to the basic units, establishments, and others is not done on schedule, and when it is, incomplete numbers are given; this makes the assemblies impossible.

"Furthermore, on many occasions the main leaders of the entities do not attach importance to this process. This is compounded by a poor understanding of why it is important for the plan to embody the viewpoints of the workers.

"Lastly," Martha explains, "the indicators that are discussed in the basic units, establishments, workshops, etc., are in some cases those of management and, therefore, do not reflect the viewpoints of the collective."

Expanding on this issue, Martha stated that "all this led us to conclude that we were wearing ourselves out in a senseless assembly process, inasmuch as these shortcomings were compounded by the poor response to or acceptance of the views that the workers expressed at these assemblies."

"To all that I have stated," our interviewee continued, "I should add the country's economic situation, which in many instances does not allow us to inform the workers opportunely about supplies and raw materials from overseas, which means that in many cases the plan that was originally envisioned and discussed is somewhat different from the one that can actually be carried out.

"For all of these reasons," Martha concluded, "the labor movement resolved not to continue holding these assemblies for the discussion of figures and to undertake a single assembly process in which the labor collectives could make commitments with greater objectivity and on the basis of what they could contribute."

[TRABAJADORES] Could you tell the workers again when these assemblies are going to be held and the issues on which they will have to focus their discussions?

[Cabrisas] The assembly process, which will be convoked and directed by the labor movement, in coordination with management, at their corresponding levels, will be conducted now in June and up to 15 July, taking advantage of the normal framework of the production and services assemblies during these months.

The discussion and analysis of the plan under this new approach will focus on the basic problems in each area on which the workers can have a real and objective impact, such as the conservation of material resources and fuels [portadores energeticos], tying this in with the material-economy program and import substitution; the quality of production and services; economic efficiency, emphasizing cost cutting and worker productivity; work discipline, and utilization of the work day.

Other issues are growth in exports and their quality; the possibility of boosting secondary production lines and of developing other new ones; attending to the individual worker; the proposal of a thematic plan by management, and the commitments of the innovators and efficiency experts and the Technical Youth Brigades; as well as certain aspects of particular interest in each territory, or matters pertaining to the area in which the assembly is held.

[TRABAJADORES] What involvement will management have in the process and to what use should it put the proposals of the workers?

[Cabrisas] Along with the involvement of the labor movement and on the basis of the topics for discussion listed above, management will be responsible, in each instance, for drafting a report that will be discussed in each workshop, brigade, work area, etc., and that will be in keeping with the specific situation and characteristics of the activity.

This report must include how the plan was carried out in previous years and the present one; fundamental resources received in previous years and the allocation for 1989; installed capacity; the technical condition of the machinery and equipment; average number of workers; how resources can be conserved, raw materials utilized, and possible steps to lower costs, bolster discipline, and improve quality.

In this regard, coordination has been established. The Organizing Commission of the 16th Congress and the Central Planning Board resolved to carry forward the assembly process. The board has already counseled managements in the country. Nevertheless, the labor movement at all levels must get moving quickly and apply pressure so that this important process can be carried out.

As for the results, I can say that management, along with the union, will summarize in each enterprise the result of the contributions and discussions of the workers and with their specialized apparatus will turn them into figures, which must be officially incorporated into the proposal for the 1990 economic plan.

I should note here that the workers will be discussing mainly plans of measures. For example, how many pieces of sheet metal can be saved, and how, in one shop or another. It will be up to management to standardize and quantify this and express it in numbers, saying how much cost-cutting per peso of output it will mean for the enterprise.

[TRABAJADORES] Since there is really not much time left before these assemblies, why does the process have to be conducted right now?

[Cabrisas] One of the major objectives of this process is to bring to the 16th Congress of the CTC some concrete results in terms of a more active and real involvement of the workers in the discussion of the economic plan so that the labor meeting has a foundation to project itself into the future on such a vital issue.

If we waited until September or October to conduct the process, it could coincide with the discussion of key documents of the congress or even with the election of delegates, and these important events would compete with each other, thus detracting from their quality. Which would undoubtedly come in second? The discussion of the plan, in spite of its far-reaching importance. Moreover, though, now is the best time for this discussion, inasmuch as later it would in practice contribute nothing to the process of compiling the figures.

It is therefore essential that the assembly process be held now, even given the tensions that we are all familiar with. On occasion the labor movement has lagged behind because it has postponed the performance of tasks in order to attend to problems that have been more or less worthy of consideration. We don't want this to happen to us again, at least not if we can prevent it with a resolute, combative attitude.

[TRABAJADORES] Is there anything else that you would like to add in conclusion?

[Cabrisas] I would like only to tell the workers all over the country that they must realize that this will not be the same old, pro forma assembly, nor an assembly to request resources; it will be a meeting at which we can speak in depth and openly on as many items of the agenda as we think we can contribute experiences about to make the plans more efficient.

The Organizing Commission of the 16th Congress of the CTC urges all workers to become enthusiastically involved in this new process. The workers must prepare themselves before the assembly, in the sense of giving some thought, before it is held, to what measures they can take and what input they can offer in their post or work place.

In addition, we call on all union cadres to do their best in organizing and carrying out the assembly process. This is their priority, their most important task for the next month and a half.

And why not (Martha adds self-confidently and with her best smile), at the same time we in the unions also ask management to communicate its guidelines as quickly as possible to the rank and file and to do its part in the process so that it is prepared to undertake this task with the same vigor and enthusiasm as the labor movement and the workers in general.

Antigua and Barbuda

Ruling Party Calls Opposition 'Irresponsible'

FL1008213689 Bridgetown CANA in English 2038 GMT 10 Aug 89

[Text] St John's, Antigua, Aug 10, CANA—Chairman of the ruling Antigua Labour Party (ALP) Lester Bird has described as "grossly irresponsible" the decision of the opposition United National Democratic Party (UNDP) to boycott by-elections which were scheduled for August 17.

The UNDP, which filed writs in the high court challenging the election of seven ALP candidates after the controversial March 9 general elections, opted to stay away from the new polls because electoral reforms it was pushing for were not taken up by the government. "We must not be confused," Bird said. "The electoral system in Antigua and Barbuda is one of the best structured anywhere in the hemisphere.

"A few problems on the day of the general elections should not be enough reason for them to turn their backs on the people," Bird said in a statement.

Seven ALP candidates who had resigned their seats in Parliament to contest by-elections were re-elected unopposed after the opposition force failed to nominate candidates last Friday.

The ALP MPs [ministers of parliament] quit to sidestep court writs filed after polling was delayed in several constituencies on polling day.

The high court had upheld one writ, citing electoral irregularities and incompetence of officials.

Dominican Republic

Jorge Blanco Trial 'May Not' Resume 10 Aug

FL1008132489 Santo Domingo Radio Mil Network in Spanish 1123 GMT 10 Aug 89

[Excerpt] As he had promised, former President Salvador Jorge Blanco returned to the country from Miami yesterday. He traveled to Miami last 6 July to accompany his wife, Mrs Asela Mera de Jorge, who is in a hospital in this U.S. city.

Jorge Blanco arrived in the country in a private plane around 1030 accompanied by his daughter Dilia Leticia, and Dr [name indistinct] Oliveira, (Manuel Ramon Morell Serga), and Manuel Antonio Jimenez Rodriguez, known as Manolin, attorneys who compose the group that is defending him.

Speaking to journalists at Las Americas International Airport's Ambassadors Lounge, Jorge Blanco said he devoted all his time to his wife during his stay in Miami.

[Begin Jorge Blanco recording] All this time I spent in Miami—a month and some days—has been exclusively devoted to my wife. I was with her every day from morning to night with the normal worry and concern that this situation has created in me, in the entire family, and in her. I have not had too much time to think about other things because the attention has been focused solely and exclusively on her. [end recording]

The former president went to Miami on 5 July [as heard] after the Santo Domingo Appeals Court granted him provisional freedom with bail and the Attorney General's Office lifted a ban preventing him from leaving the country, with the consent of President Joaquin Balaguer.

Former President Jorge Blanco will appear in court today [10 August] at 0900 as ordered by Dr Juan Maria Severino, judge of the National District's Penal Court.

However, the trial may not resume today because Dr Ramon Espinal, known as Papi, the attorney representing the state, is in the United States and it is uncertain whether he will return to be present in court. [passage omitted]

Santiago, La Vega Judges Reject Wessin's Remarks

FL1008153889 Santo Domingo Radio Mil Network in Spanish 1146 GMT 10 Aug 89

[Text] Santiago—Yesterday, three judges from Santiago and La Vega urged Lieutenant General Elias Wessin y Wessin, head of the Armed Forces, to publicly identify the penal magistrates who free people linked to drug trafficking. Attorneys Altagracia Ufre de Ramirez, Fortuna Garcia de Valenzuela, and Marciana Ramirez asserted that the statements made by General Wessin y Wessin involve all judges who conduct honest work in society, and for this reason, they reject his statements.

Attorney Ufre de Ramirez said not a single drug trafficking case has been sent to her during the time she has served as judge in Santiago Judicial District's first penal court. She added: I have been sent young men or middlemen but not true drug traffickers. What he says is not true because drug traffickers are very well protected and it is not by the justice, noted the Santiago judge.

The Santiago judge said that as a mother she has the responsibility of fighting against the drug business. Attorney Ufre de Ramirez explained that each judge has to contribute to the struggle against drug trafficking by handing down severe sentences.

The three judges were responding to remarks made by the secretary of the Armed Forces in which he said judges in those cities are letting go well-known drug traffickers.

More Criticism of Remarks

FL1008162589 Santo Domingo Radio Mil Network in Spanish 1152 GMT 10 Aug 89

[Text] Dr Julio Ibarra Rios has said the criticism made by the secretary of the Armed Forces to the ruling in favor of an alleged criminal must have provoked laughter among attorneys because a member of the military does not know how tribunals work.

[Begin Ibarra Rios] Does Elias Wessin y Wessin know what a ruling is? How a judge reaches a verdict? What evidence is? What indications are? What a habeas corpus is? The ruling is reached through resources. I believe the criticism made by Mr Wessin to the ruling is as if I criticized U.S. NASA technicians who send rockets to the moon. [end recording]

Dr Ibarra Rios said Lieutenant General Elias Wessin was always (?trained) in the barracks.

[Begin Ibarra Rios] A smuggler or any criminal they send to the tribunals is immediately under the tribunals' jurisdiction. They cannot criticize the judges' ruling. If not, the day will come when the judges will criticize the way in which the Armed Forces are handled. They would say, for example, that seniority is not respected, that they act in a biased way. They would begin criticizing not only the Armed Forces but also the National Police. This would turn into a worse mess than the one we already have. [end recording]

Ibarra Rios made these remarks when he was interviewed on the criticism Wessin y Wessin made against the country's tribunals. Wessin said guards and police arrest certain criminals and are later released by the justice organs so that they can continue committing crimes.

Grenada

New Senator Sworn In; Replaces Former Minister

FL1008222489 Bridgetown CANA in English 2217 GMT 10 Aug 89

[Text] St George's, Grenada, Aug 10, CANA—Small businessman Cephas Pilgrim has been sworn in as Grenada's newest government senator.

He replaces Barrister Larry Joseph whose appointment was terminated last month when he was sacked as minister of state for national security by Prime Minister Herbert Blaize.

Pilgrim is the current manager of the state-controlled West Indian Publishing Company.

His appointment comes less than five months before the parliamentary life of the Herbert Blaize administration expires.

Pilgrim has been a close ally of Blaize for over 30 years and was short-listed as a potential candidate in the 1984 general elections.

Haiti

Anti-U.S. 'Meddling' Week Begins 8 August

FL1008193289 Port-au-Prince Radio Metropole in French 1045 GMT 9 Aug 89

[Report by Smoy Noisie]

[Excerpts] [Passage omitted] A week of mobilization against U.S. meddling began yesterday morning at the Faculty of Sciences [of the National University of Haiti] at the initiative of the National Federation of Haitian Students [Fench], in collaboration with the League of Former Haitian Political Prisoners [LAPPH]. The week of mobilization opened with an exhibit of engravings, photographs, texts, drawings, and documents showing the atrocities committed by the U.S. Marines against the

population. The organizers' objective is to show the true image of the American intervention, which they say has been glossed over by official history. [passage omitted]

Haitian-U.S. relations, the Americans' attitude toward Haiti, and their meddling in the nation's internal affairs are truly scandalous, says the Feneh, which intends to denounce any and all forms of Haitian occupation.

[Begin recording] [Unidentified Feneh member, in Creole] Well, clearly, as we are always saying, relations such as we of Feneh would like and are struggling for—like all other organizations struggling for the same thing.... [changes thought] U.S.-Haitian relations are not relations between equals. They are relations of domination, of occupation. Even when we are not in a period of physical occupation, such as between 1915 and 1934, we can nevertheless feel the American presence. It is still here, and as for Feneh, every time that it feels that the Americans, the United States, are indeed dominating Haiti—when U.S. imperialism is strong in Haiti—Feneh will always fight, until this kind of thing is totally over and done with. [passage omitted]

We think that everyone will become interested in this matter, and might strengthen the anti-imperialist sentiments of everyone—students, workers, peasants—participating in the activities. This is one of the things we are expecting: a still greater mobilization against the American presence, the presence of U.S. imperialism, in Haiti today. [end recording]

The week of mobilization over the evil consequences of the American occupation organized by Feneh and the LAPPH will conclude next Saturday.

CEP Holds Talks With Cap-Haitien Citizens

FL1008175789 Port-au-Prince Radio Nationale in Creole 1300 GMT 9 Aug 89

[Report by Cap-Haitien correspondent Louis Seize France]

[Excerpts] Permanent Electoral Council [CEP] President Louis Antoine Auguste, Vice President Gabriel A. Augustin, Secretary General Jean Gerard Pierre, Reverend Pauris Jean-Baptiste, and Archange Leon arrived in Cap-Haitien on Tuesday, 8 August, as part of their tour of nine geographical departments in Haiti. They were received first by a military delegation at the (Camp Coq) outpost, some 10 km from Cap Haitien. [passage omitted]

A second delegation awaited the CEP members at the Acul du Nord crossroads, called (Nan Cayette). This delegation was headed by Cap-Haitien prefect Joseph Edner Pierre and magistrate Musset Pean. [passage omitted]

They immediately went to city hall, where there was an exchange of ideas between the CEP members and the local authorities. A few minutes later, the CEP began its work. Several sectors were represented. The session was divided into two workshops: One was composed of (?area) public administration directors while the other was comprised of prominent figures and representatives of groups and religious sectors.

They discussed the following six points:

Should there be electoral rolls, permanent electoral rolls, or no electoral rolls at all?

Second, should the section chiefs be elected?

Third, in how many steps should the elections be held? When would the population like the elections to begin? What officials should be elected first? Should Haitians living overseas participate in the elections?

Each sector representative gave his opinion. A majority of them were not in favor of electing section chiefs. Also, many of them were in favor of permanent electoral rolls. Many of them were also in favor of holding elections in two steps with the CASEC [Administrative Councils for the Communal Sections] and municipal elections held first, followed by legislative and presidential elections.

According to these people, this would prevent other conflicts that might arise following legislative elections.

Regarding the participation of Haitians living overseas, the people were not at all in favor of overseas voting. They said if anyone from the diaspora would like to participate in the elections, let him pay for his ticket and come to Haiti to vote. This would also prevent fraud, they said.

Many of the people would like to see the elections both begin and end in 1990. [passage omitted]

PDCH Questions CEP

FL1008182889 Port-au-Prince Radio Nationale in Creole 1300 GMT 9 Aug 89

[Excerpts] In connection with the organization of the coming elections and the electoral council's [CEP] tour of the nine geographical departments of Haiti, Reverend Sylvio Claude's Haitian Christian Democratic Party [PDCH] is wondering what objectives the CEP members are pursuing. [passage omitted]

The PDCH would like to remind the CEP of Article 289 of the Haitian Constitution, which says nothing about cohabitation between a provisional electoral council and a permanent electoral council. The PDCH makes a distinction between these two institutions.

Also, PDCH officials demand that the CEP maintain Article 291 of the Constitution [which says that zealous participants of the Duvalier regime may not run for office for 10 years], which is one of the legitimate and fundamental demands of the 7 February 1986 movement. Rev Claude will absolutely not accept the setting aside of Article 291. [passage omitted]

Lastly, the PDCH says that it is disappointed to see that the CEP leaders do not attribute much importance to the climate of insecurity in Haiti. The only thing that matters to the leaders [not further identified] and to certain presidential candidates is taking power, concludes the PDCH press release.

Leogane Peasants Complain About Section Chief

FL1008170689 Port-au-Prince Radio Metropole in Creole 1045 GMT 8 Aug 89

[Report by Leogane correspondent Jean-Marie]

[Text] [Words indistinct] second communal section of Leogane, the peasants are undergoing a veritable Calvary at the hands of the section chief, whose name is Dupet, and his assistants. The peasants from the second section told us that when one of their animals gets into someone's field and is taken to Dupet's, he makes them pay some 150-200 gourdes [U.S.$30-$40] to get it back, and if any of them protest, he beats them. He makes them pay an outrageous sum of money to be allowed to sell a small animal in the marketplace.

When we asked them about the president's decree on the distribution of land, they told us they had no land at all, and that no one has ever been out to talk to them about this. They said they were working only with what they had.

Delegation To Intervene on Peasants' Behalf

FL1008204089 Port-au-Prince Radio Metropole in French 1045 GMT 9 Aug 89

[Text] Ten human rights associations declare they are alarmed by the critical situation of human rights in Haiti, particularly in the rural areas. These associations met Monday to discuss this matter. It was decided at the meeting to send a delegation of lawyers and members of human rights organizations to intervene with the authorities in Mole Saint-Nicolas on behalf of eight peasants who are being detained there illegally. It will also be this mission's task to conduct a broader investigation into the human rights situation in northwestern Haiti. The light is flashing red for the people in that area.

The 10 human rights organizations, concerned over repeated violations of human rights in northwestern Haiti, call on the regional authorities to facilitate the delegation's task.

The committee for northwestern Haiti of the cooperative action association has also protested the jailing of the peasants from Jean-Rabel in Mole Saint-Nicolas. The association denounces their imprisonment and demands that they be released.

Electricity Union Protests Murder of Members

FL1008203089 Port-au-Prince Radio Metropole in French 1045 GMT 9 Aug 89

[Text] [Newscaster Nancy Roc] The EDH [Haitian Electricity Company] employees' union protests the murder of two of its members and demands that the authorities shoulder their responsibilities. Smoy?

[Reporter Smoy] Right, Nancy. The EDH union is openly showing its displeasure following the death of Frantz Cherilus, who was murdered by a group of five armed men Saturday evening on the road leading to Croix des Bouquets. The union threatens to take measures that will have unfortunate consequences if the military authorities do not shoulder their responsibilities and eliminate the gangs that are terrorizing the nation. Listen to an EDH union member discuss the matter.

[Begin recording] [Unidentified speaker, in Creole] We say that the bloodbath that has begun at EDH must be stopped, because the workers, all the technicians, are at present discouraged by the idea of working under such conditions. We once again ask the population to rise up and be vigilant to help us in the work we are doing to bring about change in Haiti.

We reiterate, if we have to work in such a climate, we cannot continue working and the nation will have to pay the consequences because EDH constitutes the nation's lungs, so to speak. If we are not given security so that we can work, we cannot continue. All the technicians are mobilized. We have mobilized, so that, if the flow of blood is not stopped, many actions will be taken at EDH and the nation and the entire population are the ones that will pay the consequences.

Therefore, we ask everybody whose job it is to provide security to shoulder their responsibilities and capture these murderers. We are not saying the government or the Haitian Army committed the crime. However, we do know that it is their job and they are in a position to provide security for all of us in Haiti so that we can continue to do our work. Without this, the work cannot continue. [end recording]

Further on EDH Demands

FL1108130789 Port-au-Prince Radio Soleil Network in Creole 1830 GMT 9 Aug 89

[Text] The Electricite d'Haiti [EDH] employees union reports that its members are truly committed to the struggle for the respect of human rights, particularly the rights of its members. That is why the union considers it necessary to ask the public prosecutor to take whatever

action may be necessary. This is also why they are calling the prosecutor's attention to a number of criminal acts to which EDH union members have been subjected.

They say: (Fenel Miracles) was wounded by a bullet on Boulevard Jean-Jacques Dessalines, very near Rue Saint Martin, on 5 March 1989 on his way to do the company's work. He suffered a big wound.

(Armand Turenne) was also shot in the arm. A man shot at him in the Carrefour area.

(Theluson Reneus) was murdered by a group of armed men on 9 May 1989 on Duval 30, Croix des Bouquets.

The area justice of the peace says they are conducting an investigation, and he has reportedly even found out who the guilty parties are.

(Frantz Cherilus) was also murdered last 5 August on Duval 30. A group of armed men did it, and it looks like the same men who killed (Reneus) also killed (Cherilus).

Thus, union officials ask the Port-au-Prince prosecutor to take whatever action is necessary. They inform him that despite their insistence, the justice of the peace in Croix des Bouquets has never given them a copy of the minutes of the [words indistinct].

That is why they are asking for a serious investigation into this matter, so that the guilty parties, the murderers, can be identified and taken before the competent court.

The union's central committee says it is ready to collaborate thoroughly to facilitate any investigations.

Radio Soleil Employee Fired From Station

FL1008204689 Port-au-Prince Radio Metropole in French 1600 GMT 9 Aug 89

[Excerpt] One more person has been fired from Radio Soleil. A total of 15 employees have been fired since the beginning of the crisis and six others have resigned. Only three members of the old team—the team that signed the memorandum addressed to the administration—remain. The newly fired employee is Augustin Jean-Francois. [passage omitted]

Trinidad and Tobago

Political Party To Be Launched 10 Sep

FL1008230189 Bridgetown CANA in English 2253 GMT 10 Aug 89

[Text] Port-of-Spain, Trinidad, Aug 10, CANA—A labour group announced on Thursday that it will launch a new political party on September 10.

The Committee for Labour Solidarity (CLS), whose front-line members are from the Oilfields Workers Trade Union (OWTU) and the islandwide Canefarmers Trade Union, had initially planned to launch the party in April but had delayed plans whilst organising a series of nationwide conferences.

The CLS party will become the country's second political party to be formed this year and the third to be announced. In April, expelled ministers from the ruling National Alliance for Reconstruction (NAR) launched their United National Congress (UNC).

In July, economist Lloyd Best announced plans to also work towards forming a party for general elections, due by 1991.

CLS officials went to great lengths to state their intention to become a national party and not just one rooted in the trade union movement. "Many of us are trade union people but that does not mean to say that we are a trade union party or a labour party," CLS official and OWTU Education and Research Officer David Abdullah told reporters.

CLS members said they would not be seeking any one power base. They accused the NAR, the former ruling People's National Movement (PNM), and the newly-formed UNC of playing politics along racial lines in the multi-ethnic society.

"The traditional politicians have failed Trinidad and Tobago, have plunged Trinidad and Tobago into deep and serious despair and that is why we have formed this political party," Abdullah said.

Foreign Secretariat Satisfied With Tela Summit

PA1008165089 Madrid EFE in Spanish 0200 GMT 9 Aug 89

[Text] Mexico City, 8 Aug (EFE)—The Mexican Foreign Secretariat today expressed its "satisfaction" over the encouraging results of the summit of Central American presidents which ended on 7 August in Tela, Honduras.

In a press communique, the Foreign Secretariat said that the text of the Tela Declaration calls for a number of immediate or short-term actions that will contribute to eliminating the main factors creating tension in the area and to consolidating the mechanisms for dialogue and concertation.

The communique added that those actions are aimed at "promoting peace in Central America and stress the need to strengthen the democratic processes implemented by each country in exercising their sovereignty in accordance with the letter and spirit of the Esquipulas II Agreements, which were ratified in Alajuela [Costa Rica] and Costa del Sol [El Salvador].

"The commendable reconciliation spirit, the steadfast determination shown by the Central American presidents compels us to urge all parties involved to respect and support this significant process," the Foreign Secretariat concluded.

Train Derailment Reported in Sinaloa

PA1008024889 Mexico City XHTV Television in Spanish 0210 GMT 10 Aug 89

[Text] Sinaloa—A train derailment occurred early this morning north of Sinaloa in which about 100 people were killed and over 100 injured. The scene of the accident is flooded and heavy rains are making rescue operations difficult. Details are still unclear but, according to information gathered at the accident scene, the mishap was caused by the heavy rains, which damaged the tracks.

Government sources report that eight of the train's cars fell into the Bamoa river, so a considerable number of people drowned. The report adds that train was on the Mazatlan-Mexicali route when it crossed the bridge over the San Rafael Creek, which was swollen by heavy rains. The bridge collapsed and the cars fell into the water. Most of the victims are women and children.

Unofficial reports indicate that the train's machinist, Emilio Gonzalez, and the conductor, Geronimo Cardona, are missing.

94 Bodies Recovered

PA1108035689 Mexico City XHTV Television in Spanish 0310 GMT 11 Aug 89

[Report issued by the Communications and Transportation Secretariat's General Directorate of Communications on the 9 August train accident in Sinaloa on 10 August in Mexico City]

[Text] The bad weather in the State of Sinaloa, between Guasave and Huamuchil, caused breaks in the international highway, floods, the isolation of at least 10 towns, the collapse of a railway bridge, and the death of at least 94 persons, whose bodies have been recovered.

A large-scale emergency operation—which includes the participation of municipal, state, and federal organizations—has been launched in the area by Governor Francisco Labastida Ochoa and Carlos Orozco Sosa, director general of the National Railroad of Mexico, who have personally attended to the needs of the injured and the relatives of those who died. The two officials today continued to talk with the victims, each of whom will be provided with 500,000 pesos to cover the cost of transportation to their destination, clothes, and food.

Solidarity toward the injured, victims, and relatives of the dead has been reasserted by many persons, private organizations, and public institutions—which have donated more than 10 tons of clothes, food, dry goods, and other products.

Reports received by the governor indicate that 10 towns have been flooded in the area and at least 300 houses have been destroyed. The towns are located along the Nacabeba, El Gato, La Pichihuila, San Juanico, EL Palmarito, and San Rafael Creeks, which rose to their highest levels in 50 years.

The search for more victims continues round the clock, using helicopters, boats, and special vehicles.

Costa Rica

Reportage on USSR Parliamentarians Visit

Soviets Suspend Military Aid

PA1108000689 Paris AFP in Spanish 2107 GMT 10 Aug 89

[Text] San Jose, 10 Aug (AFP)— A Supreme Soviet delegation reported in San Jose that the Soviet Union has stopped supplying military equipment to Nicaragua as a contribution to a political settlement of the regional crisis. The delegation also reported that this policy will continue if all the parties involved in the conflict assume a similar stance.

In a news conference today, a delegation of the Soviet Parliament said this decision is due to the "positive" changes that have taken place lately in Central America.

Alexsandr Mokanu, deputy chairman of the Supreme Soviet Presidium, said that the Soviet Union's actions will depend on those of the other involved parties—whom he did not identify—which should take "specific measures to change the conditions that force Nicaragua to request military aid."

At a meeting with Costa Rican President Oscar Arias on Wednesday, the Soviet delegation expressed support for the Esquipulas II peace process and the accords signed at the summit held in Honduras from 5 to 7 August, which gave "new impetus" to the regional peace agreements.

The delegation, which also includes Valeriy Kuzin, deputy chief of international relations of the Supreme Soviet Secretariat; Valeriy Smolin, counselor of the Second Latin American Department; Vladimir Maslin, of the Soviet Parliament's International Affairs Commission; and Deputy Vladimir Revnivtsev, will return to Moscow tomorrow after a 6-day visit to Costa Rica at the invitation of the Legislative Assembly.

Mokanu proposed negotiations in Central America on the armed forces and on arms reductions to levels that the Central Americans should decide among themselves. These negotiations should include a strict U.S. and Soviet commitment to respect the accords.

Mokanu pointed out the "positive factors" observed in U.S. President Bush's approach to the Central American situation. These positive factors include Bush's public refusal to use military force to solve the area's problems and his support for the peace accords signed in Guatemala in August 1987 and El Salvador in February 1989.

Mokanu also reaffirmed the Soviet Union's support for UN participation in the mechanisms for the verification of the Central American peace accords and the special $4.3 billion economic aid plan sponsored by the United Nations.

In addition, the Soviet delegates announced their willingness to initiate contacts with the Central American parliament, if this organization is created, because they feel that this body represents a contribution to useful integration processes without diminishing the rights and the sovereignty of each nation, as shown by the experience of the European Parliament.

Costa Rica is the only Central American country that has not yet ratified the treaty to form the regional parliament, which the area presidents approved 2 years ago.

The Soviet delegation stressed the Soviet Union's interest in increasing its political and cultural relations with Costa Rica without harming relations with other nations.

The delegation members pointed out "the moral and political prestige" of this Central American nation in the international community and its "constructive role" in the United Nations in efforts to normalize the Central American situation.

Mokanu said that during the talks held in San Jose this week, "we again became convinced of the immense pacification potential of Costa Rican diplomacy, which is reinforced by its democratic society and its aspirations for peace."

Regarding the Salvadoran situation, the Soviet parliamentarian said it "is still very serious," because "a civil war is terrible for the people."

Asked whether President Alfredo Cristiani's government, in power since 1 June, is legitimate, Mokanu said: "All governments elected by the people are legitimate."

Mokanu declined to comment on the armed struggle of the Salvadoran guerrillas, which has been waged for nearly 10 years, saying this is an internal affair.

Urges Political Solution in Panama

PA1108034089 Panama City ACAN in Spanish 0230 GMT 11 Aug 89

[Text] San Jose, 10 Aug (ACAN-EFE)—In Costa Rica today, Aleksandr Aleksandrovich Mokanu, deputy chairman of the Presidium of the Supreme Soviet, said that the USSR wants a "political solution" that will end the crisis Panama has been experiencing for more than 2 years.

Mokanu is a member of a delegation of five parliamentarians who are visiting Costa Rica at the invitation of the Costa Rican Legislative Assembly.

The Soviet parliamentarian said that the USSR is also interested in a political solution to the Central American conflict. "We have the same concern regarding the Panamanian situation," he added.

The Panamanian crisis, which began more than 2 years ago, has become worse following the annulment of the 7 May elections, which the Panamanian opposition claims to have won.

"Peace in Panama is important for us," Mokanu said, adding that the USSR "may take some steps to help solve the Panamanian crisis, but this would be done through the United Nations."

El Salvador

Detective Charged With Attacking U.S. Nun

PA1008182589 San Salvador Canal Doce Television in Spanish 0300 GMT 10 Aug 89

[Report by Ernesto Rivas, passages within quotation marks are recorded]

[Text] [Rivas] The Santa Tecla Second District Lower Court today issued a provisional arrest warrant for a National Police detective implicated in the attack on U.S. Sister Mary Stanislaus MacKey.

[Unidentified judge] "I have always been respectful of all authorities, civilian, military, or ecclesiastical. It is not my intention to disrespect anyone by making these clarifications."

[Rivas] The Santa Tecla judge said on 9 August that he had ordered the release of Detective Luis Angel Zelaya Martinez [name as heard] because at the time there was no reason for his arrest. In that regard, the judge added that during his first testimony the accused denied the charges against him, including any participation in the attack on U.S. Sister Mary Stanislaus MacKey. He added that the detective had been implicated by another suspect, and that according to the law, what one suspect says against another suspect is not considered valid. However, as a result of new charges filed against the accused, another arrest warrant has been issued.

[Judge] "The judge signing this document states that sufficient information related to the attack on the nun and other thefts was gathered during the investigation on the theft charges filed against the detective; therefore, I ordered that all the charges be treated as one case. Hence, we can conclude that it is all part of the same trial."

[Rivas] The judge added that based on new evidence, there is enough information implying that the accused could have participated in the attack against Sister MacKey, and that the weapon used belonged to Lopez Zelaya.

Reportage on Possible Government, FMLN Talks

Foreign Minister on Dialogue

PA1008203689 San Salvador TCS Television in Spanish 1215 GMT 10 Aug 89

[Report on interview with Foreign Minister Jose Manuel Pacas Castro by Roberto Rapresa from the Foreign Ministry; date not given—passages within quotation marks are recorded]

[Text] One of the doubts existing over the summit agreements is whether the agreements concerning the Farabundo Marti National Liberation Front [FMLN] and the Nicaraguan contras would be treated equally. Experts anticipated this situation could not happen because the reasons for the creation of the two rebel forces were of a different nature. This has been confirmed by Foreign Minister Dr Jose Manuel Pacas Castro.

[Pacas Castro] "The Salvadoran Government has never maintained that the causes that generated the creation of the Nicaraguan Resistance [RN] are the same [as those that generated the FMLN]."

The reason, Dr Pacas Castro said, is because there is no democracy in Nicaragua. However, as soon as there is democracy in Nicaragua, with or without the democratization plan, the Salvadoran foreign minister believes the contras would lay down their weapons because the objective for which they have been struggling has been attained.

"[Pacas Castro] On the contrary, the FMLN situation is totally different. We have a democracy in El Salvador, which has been confirmed not once but on several occasions. I think this must be clearly stated because we have never talked about a symmetry between the FMLN and the RN."

Regarding the system that will be implemented at the dialogue between the government and the FMLN, the Salvadoran foreign minister said it will be the same procedure previously established.

[Pacas Castro] "This is precisely the reason for the creation of the dialogue commission. It has been created so that, let us say at the same level—because the president of the Republic is not the one who will sit at the negotiating table—the dialogue commission holds talks with whoever wishes to hold a dialogue, not only with the FMLN. Labor unions, or any group that believes it has a problem that deserves a debate at the commission level is welcomed."

Thus far the results of the agreements signed at the Tela presidential summit obviously depend on the true willingness of each of the presidents to fulfill the commitments. Thus, it can be concluded that the agreements the presidents reached during the Costa del Sol [as heard] meeting were very few.

Commander Discusses Tela Proposals

PA1008171889 Paris AFP in Spanish 0158 GMT 9 Aug 89

[Text] Managua, 8 Aug (AFP)—The Farabundo Marti National Liberation Front is willing to stop the armed struggle in El Salvador if an "overall agreement" that includes social changes and "a real process of democratization" is reached. This was said here today by representatives of the Salvadoran guerrillas.

For the FMLN this would mean "a purge within the Armed Forces" that, according to the rebel organization, is structured under "a fascist concept," and does not accept "any form of opposition or other ideologies."

In statements to the press, Commander Maria Luisa Letona, member of the FMLN General Command, described the regional agreements signed on 7 August in Tela, Honduras as "very positive" because they "commit" Cristiani to seek a negotiated solution to the Salvadoran armed conflict.

Letona believes that "as long as the Army does not change, it will be very difficult to talk of democracy , much less pluralism or an open society."

During the Central American summit that ended on 7 August in Tela, the Central American presidents urged the Salvadoran Government to "reach an agreement" with the FMLN and encourage its incorporation into peaceful life through a "constructive" dialogue that would make it possible to achieve an "immediate and effective end to hostilities."

The result of this would be the "demobilization" of the rebels following the same procedures established in the agreements for the demobilization of the Nicaraguan contras "with certain modifications depending on the circumstances."

According to Letona, the use of the word "demobilization" in the document—when referring to the FMLN and the contras—does do not imply a "similarity" between the two organizations because the Salvadoran situation "is completely different from the Nicaraguan situation." The FMLN leader believes that "the most important thing" is that everyone agreed that a negotiated solution must be sought in El Salvador.

The Salvadoran rebel leader described the results of the summit, regarding the demobilization of the Nicaraguan contras, as a "total success." Letona added that this was an "unquestionable recognition" of the Nicaraguan revolution.

Letona described as a "defeat" for Cristiani the fact that " he had to sign the death warrant for an organization with ideologies similar to those of the ultrarightist organization to which he belongs."

The Salvadoran leader feels that Cristiani left the summit "truly committed" because "he will not be able to continue implementing his government plan as he had been doing to date." Letona believes that, for El Salvador, the most important part of the agreement is that it opens the possibility "for a real negotiation" to find a "real alternative" for peace in her country.

Guerrilla Communique on Dialogue

PA1108033289 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2353 GMT 10 Aug 89

[Communique issued by the Farabundo Marti National Liberation Front General Command on 9 August—place not given]

[Text] The FMLN states the following:

1. The Central American summit in Tela, Honduras, issued an appeal to the Salvadoran Government and the FMLN to renew the dialogue for achieving a firm and lasting peace.

2. The Cristiani Administration has excluded Msgr Arturo Rivera y Damas as a mediator in the dialogue, thus leaving us without a channel through which we can send proposals and other types of messages.

3. On 30-31 July, we met with the opposition political parties in Mexico City. On that occasion, our front pledged to send a letter to Mr Cristiani via the political parties. The letter was delivered to the parties on 6 August, and we explained to Mr Cristiani our position on the dialogue commission that he proposed in June and our views on the procedures and framework that would allow us to begin a dialogue. We proposed that Mr Alfredo Cristiani meet with the opposition parties to learn about our proposals to achieve progress in making preparations for a dialogue.

The FMLN also reports:

1. We have requested a meeting with Msgr Rivera y Damas as soon as possible to discuss our ideas for the renewal of the dialogue and his participation in the dialogue.

2. In the next few hours, we will send an official message to the UN and OAS secretaries general outlining the ways in which we believe these international organizations can contribute to the peace process in El Salvador.

We invite all the social and political groups in the country to seek the mechanisms for carrying out a national dialogue and to seek a broad consensus that will allow the achievement of a just and lasting peace.

[Signed] FMLN General Command 9 August 1989

Opposition on Meetings

PA1008213989 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 10 Aug 89

[Passages within quotation marks recorded]

[Text] The Salvadoran opposition political parties have adopted a common view regarding the promotion of a dialogue between President Alfredo Cristiani's government and the FMLN [Farabundo Marti National Liberation Front] guerrilla movement. This dialogue should lead to feasible ways to attain peace in the nation. The opposition parties, however, admitted that the peace process is a difficult and slow process.

During a news conference, Atilio Vieytez and Gerardo Lechevalier, leaders of the Christian Democratic Party [PDC]; Hugo Carrillo, leader of the National Conciliation Party [PCN]; and Guillermo Ungo and Ruben Zamora, leaders of the Democratic Convergence [CD], reportedly agreed on some points and agreed to disagree on some other issues during the meeting, although they stated the need to bring the conflicting sides to the negotiating table to end an almost 10-year conflict.

The PDC's Atilio Vieytez made statements about the meeting between leaders of the Salvadoran opposition parties and FMLN General Command representatives in Mexico City. Viechez said the FMLN representatives expressed their willingness to negotiate. According to Vieytez, the meeting in Mexico was attended by FMLN leaders Joaquin Villalobos, German Cienfuegos, Carmen Letona, and Ana Guadalupe Martinez, who expressed their desire to resolve the war problem. The FMLN commanders said they drafted a letter, which they sent to the recent Central American summit held in Tela, Honduras, expressing their desire to end the war.

In this regard, PDC's leader Vieytez said:

[Vieytez] "We discussed the peace efforts and the need to create mechanisms leading to a dialogue or negotiation. After listening to the FMLN commanders' statements and after making our corresponding comments, we noticed there were many points of agreement as well as some points of disagreement between the FMLN and us.

"The points of agreement, however, are very important. In the same way that we realized and agreed that President Cristiani has the political resolve to conduct negotiations to end the war, we are also sincerely convinced that right now the FMLN is very willing to find a negotiated, political solution to the war in El Salvador.

"We also agreed with the FMLN and President Cristiani's position in the sense that, although we are dealing with an overall problem, it can also be dealt with in parts as long as partial agreements lead to an overall solution to the problem."

PCN Secretary General Hugo Carrillo denied that the opposition has formed a common front against the government. Carrillo said that the opposition is making efforts to seek and struggle for peace.

[Carrillo] "Basically, our goal in joining the efforts of the CD, PDC, and PCN is to form a group of political parties to struggle for peace in El Salvador through political means. This factor has allowed us to combine efforts, and these efforts will definitively not end now but will continue with other activities, which I will point out to you later on.

"Of course, we have our differences but we agree on some issues. In the specific case of peace, we are absolutely in agreement and will move forward with our political efforts and with our determination and devotion. I say this because, in an ill-intentioned way, some people are saying that there will be an opposition bloc, and I want to say that what we will really do is form a bloc for peace."

CD leader Guillermo Manuel Ungo said that what they intend to do is cut across party interests.

[Ungo] "We talked with President Cristiani today and clearly outlined our role as promoters of a dialogue, which we think is so important that we have to be careful to move forward and not to stumble when taking the first steps. Consequently, we want to establish the necessary conditions to ensure that it will continue. This is another point on which the positions of the FMLN and the government are in agreement."

During their first news conference, the leaders of the three parties concurred in asserting that the process will be slow and admitted that the government and the FMLN distrust each other in regard to the dialogue. The FMLN sent a letter to President Cristiani that was delivered to him by the leaders of the political parties. They will meet with the country's various social forces after the meeting in Mexico.

Guerrillas Claim Second Hit on Light Plane

PA1008164489 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 10 Aug 89

[Text] This afternoon, a push and pull [in English] plane was damaged in the area of Apastepeque.

At 1430 this afternoon, the inhabitants of Las Flores village, jurisdiction of Apastepeque, gleefully watched how an O2 light plane, known as (?La Chambota) or push and pull, was (?hit). It was removed from the area with unmistakable signs that it had been damaged.

[Word indistinct] a guerrilla unit opened fire at the plane when it dared fly over the area at low attitude from east to west. This took place at the Acahuapa Stream, Las Flores village, jurisdiction of Apastepeque, San Vicente Department.

Our comrades of the Anastasio Aquino Paracentral Front assert that our revolutionary shells hit the 02 light plane, heavily damaging it, and that it withdrew with difficulty. The (?accuracy) of our anti-aircraft attacks has become evident in the last few weeks because we are repeatedly receiving reports that helicopters and planes have been damaged.

We remind you that this is the second push and pull plane we have hit during the last 9 days. The previous one was hit at San Pedro Nonualco during the national maneuvers of the FMLN .

Honduran Army Units Reportedly Raid San Miguel

PA1008142289 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 10 Aug 89

[Text] Attention: We have a last minute report from the San Miguel area in the North. We are reporting an incursion of the Honduran Army into Salvadoran territory. Approximately two sections of the Honduran Army, along with two sections of the 3rd Company of the Cuscatlan Battalion for the last 3 days have been in La Pita settlement, in Soledad Terrero in the northern part of the San Miguel Department, Carolina municipality.

Guatemala

Continuing Reportage on Teacher's Strike

State of Emergency Considered

PA1008220089 Panama City ACAN in Spanish 2025 GMT 10 Aug 89

[Excerpt] Guatemala City, 10 Aug (ACAN-EFE)— It has been learned from government circles that the Guatemalan Government is studying the possibility of decreeing a state of emergency to end the "wave of violence and terrorism" that has been unleashed in the country by a teachers strike.

President Vinicio Cerezo's administration is concerned about the radical actions taken by the teachers, particularly the events in Antigua, Guatemala, where they used Molotov cocktails in a clash with the police, the sources added.

Government Minister Roberto Valle Valdizan said the government has been tolerant and flexible "despite the critical situation," and the image of the government and its party "has not deteriorated" because "their actions have been in strict compliance with the law."

However, the minister emphasized, if the situation continues like this, the government will have to decree a state of emergency as a last resort to stop the wave of terrorism and violence that has recently been unleashed in Guatemala.

Valle Valdizan referred to the violent actions that recently occurred and said that the government has not adopted the decision to decree a state of emergency for the time being but, "if the critical situation provoked by the teachers and the extreme right wing continues, a state of emergency could be decreed." [passage omitted]

Cerezo Against State of Emergency

PA1008231889 Guatemala City PRENSA LIBRE in Spanish 10 Aug 89 p 80

[Text] President Vinicio Cerezo has completely ruled out the declaration of a state of emergency, saying that he does not think it is necessary. He made the statement upon his arrival from Honduras, where he attended the Central American summit.

In statements to the press, Cerezo said that Guatemala currently has sufficient mechanisms to preserve order and social peace in the country.

He explained that a state of emergency is declared when there is a critical situation that may result in a serious crisis throughout the nation. What we are experiencing is a social movement that some leaders want to turn into public disorder, which we must bring under control within the confines of the law, Cerezo added.

Education Ministry Closes Private Schools

PA1008191589 Guatemala City Emisoras Cadena de Emisoras Unidas in Spanish 1856 GMT 10 Aug 89

[Text] The Education Ministry has requested the private schools to close until 15 August in view of terrorist threats.

1 Killed, 5 Wounded in Capital City Bomb Blasts

PA1108044689 Paris AFP in Spanish 0415 GMT 11 Aug 89

[Text] Guatemala City, 10 Aug (AFP)—Three explosions rocked Guatemala City today, leaving at least one dead, five wounded, and vehicles and stores damaged.

The most serious incident was caused by unidentified persons who threw a grenade at a privately owned passenger bus on km 6 of the road linking Guatemala City with Puerto Barrios, on the Atlantic Coast. One person was killed and at least five were wounded in the attack. The fatality was an unidentified woman.

Another explosion took place simultaneously in Zone 5 of Guatemala City, in front of the Church of the Holy Priest of Ars, whose parish priest, Jose Maria Ruiz (Father Chemita), was preparing to say mass.

Three vehicles were damaged by this explosion.

This week Father Chemita, former candidate for mayor of Guatemala City, accused Alfonso Cabrera, former foreign minister and current secretary general of the ruling Christian Democratic Party [PDC], of "having ordered" the killing of PDC leader Danilo Barillas.

A third explosion occurred on the first floor of a building in Guatemala City's Zone 9. Several stores were damaged by the blast.

Nicaragua

Government Offers Contras 'Safety Guarantees'

PA1108044089 Paris AFP in Spanish 0400 GMT 11 Aug 89

[Text] Managua, 10 Aug (AFP)—The Nicaraguan Government today offered the contras "safety guarantees" to return to a peaceful life and invited them to talk with the authorities so the latter can inform them of the accords signed by the five Central American presidents in Tela, Honduras, on Monday.

The Tela summit approved a plan to demobilize, repatriate, and relocate the contras, which should be implemented within 120 days.

In a directive to all Sandinist People's Army [EPS] units, Nicaraguan Defense Minister Humberto Ortega on Thursday invited the contras operating in the country to "get in touch" with the authorities.

Ortega said that peace commissions, made up of churchmen and members of humanitarian organizations, will be formed "immediately to guarantee the safety of the meetings" and compliance with the accords to demobilize, repatriate, and voluntarily relocate the contras.

Ortega said the contras are "practically without leaders" because several of them, including Israel Galeano, alias "Franklyn," Nicaraguan Resistance [RN] chief of staff, requested political asylum in Miami recently.

According to Ortega, "the step taken by the contra leaders" has left the counterrevolutionary forces in Honduras "without command or leadership" and "particularly those who operate inside the country."

The Sandinist leader invited the members of the counterrevolution and those "indirectly" linked to them, "to accept the demobilization process inside Nicaragua," using as guarantors the peace commissions that will be created for this purpose.

He also said that, in addition to the prevailing amnesty, those who put down their weapons will enjoy their constitutional rights and the benefits listed in the Tela agreements.

In addition, Ortega offered to facilitate the deployment of those who prefer to be demobilized in Honduras, who will enjoy the guarantees that will be offered by the International Support and Follow-Up Commission (CIAV), which should be created by the UN and the OAS.

The chief of the Sandinist Army also urged the troops to "remain firm" and "reject those who provoke them," and to offer "a just recognition" to the contra members who accept the demobilization "for the sake of the overall peace that our people demand."

Contras Say Cuban Lieutenant Killed in Clash

PA1008194089 Panama City ACAN in Spanish 1835 GMT 10 Aug 89

[Text] Tegucigalpa, 10 Aug (ACAN-EFE)—A contra spokesman in Honduras reported today that a Cuban lieutenant has been killed in a clash with Nicaraguan rebel troops at the Plan Grande Intendance, near Rama Port on the Nicaraguan Atlantic coast.

The reports received in Tegucigalpa do not specify the day of the clash, but they state that the Cuban lieutenant was identified by the contra movement as Orlando Rommel Gonzalez, who was assigned to the Nicaraguan Interior Ministry delegation in the southern Zelaya Department.

The rebel spokesman in Tegucigalpa said: "The death of this Cuban confirms the reports presented by the Nicaraguan Resistance that there are foreigners working with the Sandinist Army."

The rebel spokesman added that according to contra intelligence, "many Cuban officers are the main moral and strategic support for the Battalions for Unconventional Warfare (BLI) and the Rapid Hunter Battalions (BLC), which are the Sandinists' antiguerrilla spearhead.

Panama

Reportage on U.S. Incidents With FDP Forces

Paper Views 8 Aug Incidents

PA1008193789 Panama City LA REPUBLICA in Spanish 9 Aug 89 p 4

[Editorial:"From Provocations to Action"]

[Text] The brutal aggression conducted against newsmen and citizens in the town of Arraijan are showing us that the Southern Command proconsul has decided to go from provocation to actions. Panamanians who have the sovereign right to defend their country were forced to kneel, with their hands behind their necks, as if they were the Vietnamese who Cisneros used to order to kneel and remain in that position.

This shows us that the Southern Command proconsul, who stampeded away from the U.S. invasion of the Bay of Pigs in Cuba and who also had to run from Vietnam, now wants to show off on the defenseless Panamanians who stood before the tanks to see if the highly touted armored vehicles would kill them.

They contemptuously desecrated the Panamanian flag just like they did in 1964, inflicting one more insult on Panamanian citizens.

The Yankee soldiers acted as if they were in an enemy country that has to be destroyed because it has not not bowed like those on the Yankee payroll, and like their buddies who applaud the actions committed in our country. However, here we have shown that we are not afraid of the tanks, and that if they invade us many of them will fall along with us. We will show that a country with fewer sophisticated weapons than the United States can also follow the example of the young men who died on 9 January. On that day the Yankee soldiers fired indiscriminately on students and girls who were exercising Panama's right to hoist its flag alongside the U.S. flag, in what was then the Canal Zone.

We Panamanians must be trained; the Defense Forces must outline the strategy to be followed when the tanks and soldiers armed with rifles and sophisticated weapons try to impose the law of bullets and killings on our country. No matter how powerful the proconsul's weapons may be, there will be a government here that will seek a formula to face them heroically and to defeat them with the dignity and honor of patriots determined to win or die for Panama.

The whole world is watching us, especially Latin American countries which will rise to defend an unarmed people whom the United States, together with the Panamanian traitors, wants to crush.

Military on 9 Aug Events

PA1008152689 Panama City Domestic Service in Spanish 1100 GMT 10 Aug 89

[Text] The Panamanian Defense Forces [FDP] have stated that their members will not fall into any U.S. Southern Command provocations in the Panama Canal area.

Major Edgardo Lopez Grimaldo, FDP information and public relations director, said that both the Panamanian people and the FDP will not fall into provocations and will not play the arrogant Yankees' game.

Serious incidents took place between Panamanian and U.S. military personnel on 9 August. In addition, U.S. Southern Command forces detained 29 Panamanians who were released 90 minutes after their detention in Arraijan in the western outskirts of Panama City.

The detainees tried to prevent five U.S. armored vehicles from entering the Arraijan Highway. The U.S. soldiers threatened the civilians with their weapons and when the civilians blocked the highway with several vehicles, the U.S. soldiers gave them 5 minutes to withdraw the vehicles. When the 5 minutes were up, the U.S. soldiers rammed two of the vehicles. One of the vehicles belonged to Arraijan Mayor Antonio de Santis and the other belonged to a business company.

Maj Lopez Grimaldo added that the invaders still have time to reflect, think over, and understand that the detonator they may activate could have unpredictable consequences. Maj Lopez said: Actions speak for themselves. They are trying to humiliate us in our own homeland. Our host-guest relationship has degenerated into open violations and offenses to our hospitality and our peaceful nature.

U.S. Troops Take Over Checkpoint

PA1008133789 Panama City Domestic Service in Spanish 1312 GMT 10 Aug 89

[Text] The Panamanian people are very concerned over the escalation of aggression staged by Mr Cisneros. We have just received reports to the effect that the U.S. Army troops illegally stationed in our country have committed another act of aggression.

This morning, they surrounded the traffic checkpoint located between Arraijan and the Bridge of the Americas with armored personnel carriers. Naturally, this is another act of provocation, because by surrounding the checkpoint with armored personnel carriers, they are interrupting traffic in the country. However, what they are actually seeking is to irritate the drivers that have to go from Panama City to the interior of the Republic and vice versa.

This is another act of provocation staged by the U.S. Army and we think we must warn our listeners, particularly the drivers who must go through that highway. Please remain calm, we must avoid their provocations.

Further on Arraijan Occupation

PA1008182889 Panama City Circuito RPC Television in Spanish 1739 GMT 10 Aug 89

[Text] At 0700 this morning, U.S. Army South troops surrounded the Panama Defense Forces' [FDP] traffic checkpoint No 2, on the Panamerican Highway on the way to Arraijan. The event took four traffic policemen by suprise, who found themselves surrounded by heavily armed U.S. troops, reinforced by LAV-25 combat vehicles, armored personnel carriers, light equipment, and a [word indistinct], which was stationed in the area. In addition to intimidating the traffic policemen, U.S. soldiers placed a sign telling drivers they had taken control of the highway. Road Police Chief Captain Jose Garavito made the following comment.

[Begin recording] [Garavito] This operation carried out by U.S. forces today is yet another attempt to provoke and bully the Panamanian people and the FDP. Traffic from Panama City to this checkpoint has been interrupted at the Bridge of the Americas by over 50 armored personnel carriers and military equipment deployed to diverse areas of the Panama Canal.

[Reporter] How long have the U.S. soldiers been here? Garavito] They have been stationed here for 2 hours. They are apparently using this place as a checkpoint for their future invasion of our country.

[Reporter] Have there been any incidents today? [Garavito] No. There have been no incidents. We have orders from headquarters to stay safe and to avoid provocations by these units trying to provoke us. [end recording]

Dignity Battalion Commander Reacts

PA1008154989 Panama City Domestic Service in Spanish 1145 GMT 10 Aug 89

[Report on 9 August news conference by Dignity Battalion Commander Dr Benjamin Colamarco by unidentified reporter in Panama City—passages within quotation marks recorded]

[Text] [Colamarco] "The Patriotic Coordination Command of the Dignity Brigade jointly with the leaders from the Culture and Health workers sectors, a support group for the Dignity Battalion, have called this news conference primarily to explain the key points of the operation 'Oust the Intruder' which began last week. The first stage will conclude with a joint military action on 11 August throughout the country.

"However, the events of the past few hours make it necessary for the Patriotic Coordination Command to reiterate the charges stemming from the violations of the country's sovereignty—which also violate international law—by the U.S. Army's excessive number of troops stationed in our territory. These actions violate the Torrijos-Carter treaties. The most serious incident occurred 8 August when U.S. Army South armored vehicles trespassed into the defense areas established in the treaties—the coordination areas established in the treaties—and entered the 'White Areas' defined in the maps included in the Torrijos-Carter treaties. The soldiers entered a civilian area in Arraijan, where Arraijan civilian patriots blocked and repudiated them. You are already aware of the incidents that took place in Arraijan, which caused actions that hurt the dignity of our people: For example, the fact that the national flag was torn, and that armored vehicles were used to damage or remove private vehicles of Arraijan residents, who were demanding respect for our people's dignity and sovereignty.

"The rest of the events that happened you know about. Later, in the Nuevo Emperador area, the U.S. soldiers disarmed a Defense Forces escort trying to direct them to enter what is known as a 'Green Area' which is a firing range impact area located in Nuevo Emperador. Once again, violating the treaties, the [U.S. soldiers] cornered the military police units, disarmed and arrested them. Moreover, not only did they arrest the two military policemen, but they also arrested the officer and the sergeant of the military police escort. They also arrested the FDP 10th Military Zone Chief, Major [Manuel] Sieiro, who went to the area once he was aware of the incidents involving civilians in the Arraijan area."

Colamarco also referred to the most recent provocations and intimidations carried out by the U.S. troops. Colamarco stressed the Fort Amador incidents.

[Colamarco] "Other incidents, which violate national sovereignty, again took place. These incidents not only violate, but completely ignore the Torrijos-Carter treaties. The United States is simply not paying the least attention to the canal treaties. The United States is not at all abiding by the treaties signed in 1977 by former U.S. President Jimmy Carter and Panamanian head of state General Omar Torrijos.

"On 9 August, U.S. soldiers blocked the entrance to Fort Amador for several hours. No one could go either in or out of Fort Amador. In addition, the U.S. troops conducted intimidatory actions in areas close to Fort Amador. Once again they carried out military actions in White Areas.

"We want to report to the world these repeated violations of Panamanian sovereignty carried out by U.S. troops headed by U.S. Southern Command [as heard] Chief Marc Cisneros.

"The world must learn about our desire to face this military aggression with the firmness and nobility that characterizes the Panamanian people.

"The Dignity Battalions have been very careful and have avoided the provocations. We have acted calmly, although we are very willing to face the invading troops."

Noriega: 'Determined To Resist'

PA1108041889 Panama City ACAN in Spanish 0305 GMT 11 Aug 89

[Text] Panama City, 10 Aug (ACAN-EFE)—General Manuel Antonio Noriega, Commander of the Panama Defense Forces [FDP], today said that Panama "will not be bent by the force of the northern barbarians," meaning the United States. He also said that Panama "will not give up, humble itself, or abandon its liberation struggle."

The Panamanian military leader said: "They will find out that the Panamanian people and the Defense Forces are determined to resist the colonialist aggression as long as necessary."

In closing remarks to the second meeting of the Organization of Military Officers for the Democracy, Integration, and Freedom of Latin America and the Caribbean [OMIDELAC] in Panama City, Noriega said the Latin American officers "have witnessed the U. S. aggressive and arrogant policy in Panama."

"What does the United States have in mind? It intends to keep a territory, which does not belong to it, for its geographic value. From here, and through modern technology, the United States controls the lives and destinies of the Latin American and Caribbean peoples."

Noriega said Panamanian soldiers have accepted the "challenge" because "the leaders, officers, troops, and people organized into the Dignity Battalions (civilian militias trained by the FDP) have shown no signs of cowardice."

The tension between Panamanian and U.S. forces increased in the past few weeks because of the exercises that the U.S. Southern Command has constantly been carrying out near Panama City in which hundreds of men, as well as armored vehicles, helicopter gunships, and fighter planes have participated.

Alluding to former Panamanian President Eric Arturo Delvalle, who tried unsuccessfully to oust Noriega as FDP commander, the general said there are "lackeys" and "obedient politicians" who are "willing to exchange the presidency of their countries for the dignity of their nation" and who are "willing to live without a homeland and on their knees."

The United States still recognizes Delvalle, who was removed by the Panamanian Legislative Assembly last February, as constitutional president.

Commentary Warns of 'Detonation'

PA1008180589 Panama City Domestic Service in Spanish 1205 GMT 10 Aug 89

[Station editorial: "The Detonator of U.S. Actions Will Have Unpredictable Consequences"]

[Text] There is still time for the invaders to reflect on, think over, and understand that the detonator they may activate could have unpredictable consequences. This statement was part of the strong warning by Panamanian Major Edgardo Lopez Grimaldo, Panama Defense Forces [FDP] information and public relations director, to the U.S. Army strategists who are determined to cause an incident that will bring sorrow and pain to the U.S. people and that will inspire the total sacrifice of the Panamanian people.

Yesterday, two new Machiavellian incidents took place. The incidents, however, did not go off in accordance with the U.S. plan thanks to the patience and good sense of our young soldiers.

As a result of those incidents, Maj Lopez Grimaldo said that actions speak for themselves. Maj Lopez added: they are trying to humiliate us in our own homeland. Our host-guest relationship has degenerated into open violations and offenses to our hospitality and our peaceful nature.

Hospitality and good sense, however, by no means mean to go back on or surrender the plan for national liberation to once and for all get rid of the extraneous presence, which is the U.S. Southern Command, and of generals who cannot wait to wage their private war to obtain promotions and notoriety.

We all saw reports on those arrogant U.S. harassment operations over our television channels and on photos published by local newspapers. The first Panamanian flag has been desecrated at the hands of the subordinates of the U.S. Southern Command chief.

As FDP spokesman Maj Lopez Grimaldo said, neither the Panamanian people nor the FDP will fall into provocations or will play the arrogant yankees'game.

If the newly arrived U.S. soldiers believe they are true undefeatable Rambos, we, the Panamanians, also have our own supermen. So we told one of those who created yesterday's incidents. Let them know we can dish it out too!

FDP Communique Praises Soldiers

PA1108050189 Panama City Domestic Service in Spanish 0405 GMT 11 Aug 89

[Communique issued by the Panama Defense Forces in Panama City—no date given]

[Text] In recent days, Panama Defense Forces members have faced situations of intimidation and aggression by intruders who are members of the U.S. Army South and who are carrying out noncoordinated, illegal maneuvers and exercises in flagrant violation of the international treaties signed at the OAS headquarters.

The equanimity and wisdom of our members and the professionalism of our officers has prevented the U.S. Army South's original plan from resulting in a tragedy like the one that occurred in January 1964 when 22 Panamanians and innumerable U.S. soldiers paid with their lives for the establishment's clumsy colonialist policy.

The FDP commander in chief and all the members of his General Staff publicly recognize and cite as an example the wise, balanced, and courageous way in which Major Manuel Sieiro, Captain (Tecsius Carrion), and Lieutenant Sidney Lion avoided the provocation; also, the firm and decisive attitude of Captain Carlos Saldana, Lieutenant Jorge Isaac Rodriguez, 1st Sergeant Jose de los Reyes Espino, 2d Sergeant Domitilo Martinez, 1st

Corporal Raul Padilla, Corporal Alexis Madrid, 2d Corporal Andres de la Flor, 2d Corporal Gustavo Garcia, 2d Corporal Humberto Reina, and Privates Jeremias Castillo, Felix Gonzalez, Roberto Gonzalez, and Daniel Rodriguez.

Their wise actions and good judgment contrast with the U.S. Army South's desperate brutality, ignorance, and professional clumsiness, and leave a positive balance that will serve as an example to our civilian population and the international community.

FDP Linked to Radio, TV Broadcast Interference

PA1108053989 Panama City ACAN in Spanish 0440 GMT 1 Aug 89

[Text] Panama City, 10 Aug (ACAN-EFE)—The regular broadcast of Circuito RPC Television, closely linked to the opposition, was interrupted tonight.

RPC sources told ACAN-EFE that military authorities asked the operator of the transmission towers used by RPC television and radio stations, located on the city's outskirts, to leave the area.

Questioned about this by ACAN-EFE tonight, Panama Defense Forces [FDP] officers said they did not have any information on the matter.

The interruption occurred shortly before 1900 (0100 GMT), when the television was broadcasting its main newscast.

The station's broadcasts in Chiriqui were interrupted last week when the power supply to the transmission tower was cut off.

RPC is the main radio and television network in Panama, which in the past few months has given wide coverage to the activities of the Panamanian opposition.

COLINA Absent From Tripartite Dialogue

PA1008191189 Panama City Circuito RPC Television in Spanish 1802 GMT 10 Aug 89

[Text] The tripartite dialogue scheduled to be resumed today, 10 August, was not resumed in view of the absence of the COLINA [National Liberation Coalition] and the Panama Defense Forces [FDP] representatives. Guillermo Endara, who went to the venue of the dialogue to represent ADOC [Civic Democratic Opposition Alliance], spoke about this situation:

[Begin Endara recording] In accordance with the regulations they [COLINA and the FDP] themselves advocated and approved, the dates for the dialogue sessions must be approved by consensus. On 4 August we agreed by consensus to resume the dialogue on the morning of 10 August.

Although the vice presidents are not in Panama—as I already stated publicly and reiterate here now—the vice presidents and ADOC trust me as I trust them so that I was prepared to attend the dialogue by myself.

We could have worked today. I do not know why COLINA and the FDP did not come or why today's meeting was canceled. I was not told anything about this. They should have consulted me on this. In fact, they should have asked me whether I agreed to suspend this meeting since we had agreed that these matters would be approved by consensus. I do not know when the next meeting will be held. [end recording]

Eric Rodriguez Auerbach, Carlos Duque's [COLINA's presidential candidate] assistant, also spoke about COLINA's nonattendance at the dialogue today:

[Begin Rodriguez recording] Yesterday, COLINA officially reported to the OAS representatives in Panama about the Panamanian Executive Branch decision not to attend today's dialogue session because the two ADOC former vice presidential candidates are abroad, and because today is the 1st anniversary of the death of Arnulfo Arias. The ADOC gentlemen had scheduled a number of ceremonies to commemorate the anniversary. [end recording]

Rejects ADOC Plebiscite Proposal

PA1008222889 Panama City Domestic Service in Spanish 2106 GMT 10 Aug 89

[Communique issued by the National Liberation Coalition, COLINA, in response to the national plebiscite proposal of the Civic Democratic Opposition Alliance, ADOC—date and place not given]

[Text] Under the supervision of the OAS, a national dialogue is currently being held in an attempt to find a political solution to the Panamanian crisis. The government, including the Panama Defense Forces, and representatives of COLINA and ADOC, the opposing political alliances in the past elections, are participating in this dialogue. However, in a statement released to the media, the ADOC suggested holding a national plebiscite on the presidential elections held on 7 May. The ADOC based its proposal on the fact that it has not been possible to reach an agreement during the dialogue being held under the auspices of the OAS. This statement contradicts other ADOC statements regarding its interest in participating in a negotiation with the other political forces of the country. Therefore, the ADOC has unilaterally considered the OAS-sponsored negotiating process as ended.

This situation does not correspond with the facts since, at the moment of issuing its proposal, the parties involved were beginning to study the proposals. ADOC is attempting to justify its call for a plebiscite on the basis of what is stated in the OAS resolution, declaration, and report. We categorically state that the ADOC proposal is

contrary to the goals and purposes of the statement made by the president of the 21st consultative assembly of OAS foreign ministers held on 20 July. The president of the assembly stated that the OAS urged its representatives to assist the parties involved in the development of the negotiating process. This was later ratified by the OAS representatives.

In suggesting a plebiscite, the ADOC is questioning the ability of the representatives in the tripartite dialogue to reach the political agreements the people expect. The proposal for a plebiscite is groundless since the general elections held on 7 May 1989 were annuled by the Panama Electoral Tribunal [TEP] in its Decree No 58 of 10 May 1989. The TEP annulled the elections because the normal election process was hindered by the actions of many foreigners who were brought into the country by local and foreign political forces and who were not officially invited by the TEP. The elections were hindered by the constant removal of ballots from the voting centers, the buying of votes by the political parties, and particularly the lack of tally sheets and other documents that made it impossible to proclaim a winner. The TEP decision was validated by a Supreme Court of Justice ruling that confirms the constitutional nature of said action. Therefore, all Panamanian citizens must abide by this ruling.

The idea of finding a solution to the political crisis through a dialogue between the parties and the government is to adopt those measures that will ensure the existence of a provisional government that will prepare popular elections as soon as possible and in accordance with the Panamanian laws as stated in the declaration issued by the president of the 21st consultative meeting of foreign ministers on 19 July 1989. This declaration clearly states that it is not possible to have a transfer of power, in accordance with the alleged results of the 7 May elections, by 1 September in light of the fact that these elections were annulled. This is why the national dialogue, which under normal circumstances would not be necessary, is being held. The Constitution does not contemplate or establish guidelines for a plebiscite. Holding a plebiscite that will replace, annul, and disregard the ruling of the TEP cannot be accepted by COLINA for the aforementioned reasons.

A plebiscite is not held to offer the voter several alternatives from which to choose. The countries where plebiscites are allowed hold these to approve or reject a specific proposal and not to choose from among a number of proposals. It has also been suggested that a five-person junta be appointed to organize and supervise the plebiscite, thus ignoring the TEP, the only organization approved by the Constitution for these matters, to place the responsibility on an organization created by entities, groups, or persons, acting outside the Constitution and the law.

We call on the ADOC leadership to sit down and talk in good faith at the negotiating table and to discuss the real national problems in an attempt to overcome the political crisis Panama is experiencing. Good faith is built on deeds and, to date, the only thing ADOC has done is to avoid a politically negotiated solution to the current crisis. We denounce this anti-Panamanian attitude by ADOC, whose ultimate goal is a direct intervention by the U.S. Government and the imposition of an antinational government that will disregard the broad participation of all the country's social and political sectors.

Institute Students Decree 24-Hour Strike

PA1008183989 Panama City Circuito RPC Television in Spanish 1730 GMT 9 Aug 89

[Text] The Federated Association of The National Institute (AFIN) has decreed an internal 24-hour strike protesting what it calls arbitrary measures adopted by the government to close public and private schools, and the death of University student Luis Gonzalez Santamaria.

AFIN President Lenin Perez claimed that the government actions are aimed at silencing the voice of the Panamanian student movement.

Archbishop Accused of Conspiring Against Country

PA1008115589 Panama City LA REPUBLICA in Spanish 8 Aug 89 p 5

[From the "Hey, Listen!" column]

[Text] There is no question now that Msgr Marcos Gregorio McGrath is hiding behind his cassock and his position in the church to conspire against Panama and to work for his true homeland, the United States. McGrath must understand once and for all that the fact that he holds a high-ranking position in the church does not mean he is protected when he conspires against our nation.

We are sure the Catholic prelate's defenders will come out and say that he is being reviled, insulted, and mistreated (or use other similar terms to suggest that he is the poor victim of attacks by the press).

We want to tell all those people that this is a war; that the U.S. superpower is mercilessly attacking our country; and that we certainly cannot adopt a lukewarm attitude when our people are enduring this kind of situation.

We must point out that, of the countless Christian churches in Panama, only the Catholic Church is conspiring against our country under the nefarious guidance of Msgr McGrath, a U.S. citizen by birth and allegiance. Why, we ask, does not Msgr McGrath do as other churches do and try to draw back into the Catholic Church's fold the sheep it has alienated because of its negative attitudes?

This would be more beneficial for him and would be more in keeping with the purpose and objective of every church, which is to minister to its flock in matters of religion, leaving politics to politicians. This would save

Msgr McGrath a good deal of headaches. Otherwise, if he continues dabbling in worldly political matters, he is going to get hit with the same weapons politicians use. War means war, like the little old lady said, and in war there cannot be exceptions. The one who shoots must be prepared to be shot at, to give an eye for an eye and a tooth for a tooth, as the Moslems say. Is that clear?

Comptroller Explains 13-Month Bonus Payment
PA1008235189 Panama City Circuito RPC Television in Spanish 2300 GMT 9 Aug 89

[Interview with Comptroller General Francisco Rodriguez by an unidentified reporter; date and place not given—recorded]

[Text] [Rodriguez] Following instructions issued by the Panamanian president, we held a series of meetings with FENASEP [National Federation of Associations of Public Employees] leaders and the coordinating board for state-run enterprises to look into the various alternatives on how to pay the second part of the 13-month bonus, which is due in August. After looking into the various options and seeing what the government could afford, we reached an agreement to pay this bonus in two parts: 35 percent will be paid on 31 August, with restricted checks that may be used only to pay for utilities, and the remaining 65 percent will be paid in the form of promissory notes, as we have done on the previous two occasions. These promissory notes are to be redeemed between October 1989 and no later than May 1990. They will be paid in monthly installments, as we have done in the past, until the entire 65 percent is paid.

[Reporter] Will this mean that paychecks will be late when the biweekly pay periods coincide with these bonus payments?

[Rodriguez] No, we do not expect this, because this is precisely what we have been looking into. We want to point out the high degree of responsibility among public officials, as they have seen with great clarity the financial possibilities available to the public sector. We believe, therefore, that there should be no reason for delays, except for the regular delays we have been encountering since 1988. So far these have never been more than 3 or 4 days. We hope it remains that way.

Argentina

Senate Approves Economic Emergency Bill

PY1008204789 Buenos Aires BUENOS AIRES HERALD in English 10 Aug 89 p 5

[Excerpt] (NA-DYN)—The Senate yesterday unanimously approved the economic emergency bill after a marathon 16-hour debate in which the Radical opposition questioned the repeal of the Differentials Law and social subsidies.

The proposal was thus passed on to the Lower House, where the Justicialists want to debate it tomorrow despite Lower House majority leader Cesar Jaroslavsky's announcement that his bloc will seek a postponement until Tuesday. [passage omitted]

'Main Points' of Bill Reported

PY1008205389 Buenos Aires BUENOS AIRES HERALD in English 10 Aug 89 p 5

[Text] The following are the main points of the economic emergency bill approved by the senate early yesteday morning:

—All subsidies and financial aid affecting treasury, Central Bank or state company funds are suspended for 180 days.
—A committee is created to reform the Central Bank's charter within a maximum 30-day period.
—Fifty percent of industrial promotion benefits are suspended for a 180-day period.
—Law 21,095 and its addenda, which state that the Executive has to give its approval to any foreign investments in Argentina is repealed.
—The approval of new projects included in the mining promotion scheme established in Law 22,095 are suspended for a 180-day period.
—Domestic and foreign capital for productive investment are guaranteed equal treatment.
—The Buy Argentine scheme is suspended.
—The provinces will receive royalties for 80 percent of the international price of crude oil and 70 percent of the international price of gas.
—The Differentials Law is suspended for a 180-day period.
—The government is authorized to lay off personnel from the two higher categories of the public administration for a 180-day period providing it pays compensation.
—The government is authorized for 180 days to import products suffering unjustified markups or shortages in the domestic market.
—Tax evaders can be imprisoned provided they are offered a free defence and full constitutional guarantees.
—All these clauses can be extended for one more 180-day period.

Air Force Chief on Political, Economic Issues

PY1008151689 Buenos Aires TELAM in Spanish 2132 GMT 8 Aug 89

[Quotation marks as received]

[Excerpts] Buenos Aires, 9 Aug (TELAM)—Air Force Chief of Staff Major Brigadier Jose Antonio Julia this afternoon said that he "completely agrees with the policy of forgetting disagreements." He expressed his support for a possible pardon for former Montonero leader Mario Eduardo Firmenich if this measure is regarded as important for the country's development.

Julia made this statement and referred to other current domestic issues during an exclusive interview with TELAM on the eve of the Air Force anniversary.

Regarding the path to national reconciliation, Julia said: "I think that once and for all we should seriously look to the future. On many occasions we have promised to do that, but we have always returned to the past."

He added: "I completely agree with the policy of forgetting disagreements in an effort to unite. I think that all of us are responsible for the country's sorry state and every one should work to overcome the crisis." [passage omitted]

Regarding current Argentine-British relations, Julia said: "I personally think that the civilized way to recover the Malvinas Islands is through talks with Great Britain. If we do not hold talks," Julia added, "Great Britain will continue to impose the exclusion zone around the Malvinas; it will continue to exploit our territorial waters and keep some markets closed to us."

Julia pointed out that "Europe will be one by 1992, and if our relations with Great Britain are not restored, we will have problems exporting our products." He added: "I believe that the government should strengthen ties with Great Britain. I do not see why I should oppose this initiative. On the contrary, I think it is necessary to hold talks with Great Britain while protecting the issue of sovereignty under an umbrella."

Julia stated that if diplomatic relations with Great Britain are restored, "any lack of confidence on the part of those countries that supply weapons to Argentina, especially the United States, will be automatically overcome. I think the United States will resume its old policy of supplying weapons, airplanes, and large quantities of spare parts to the Argentine Air Force."

Julia said: "The Air Force currently lacks money to purchase spare parts, and we cannot purchase some products because markets are closed to us."

He added: "The lack of money and the political barriers that prevent us from improving Air Force operations are basic problems."

Julia said that the current situation of the Air Force is as difficult as that of the rest of the country. "We are going through critical times, and we are trying to adopt measures so that our budget can meet our needs," Julia added.

He said: "The government is supporting the Air Force in many ways, and if we are patient we will be able to continue flying."

Asked about the sale of aerospace products, some of which are being manufactured in Air Force facilities, Julia said that "the idea is to allow the Air Force to comply with the mission assigned to it by the Constitution—to ensure sovereignty over Argentine airspace."

Julia said: "Since we understand that the country is not in the position to supply us with what we need to fulfill our mission, we have made important technological developments by establishing several mixed enterprises. This was not done to establish an Air Force company, but simply to secure profits by exporting those products and to transfer the profits to the operational sector. We are trying to improve our materiel and our pilots, using our own funds."

Julia added: "We have great possibilities with the IA-63 'Pampa' (an advanced jet trainer, fitted for tactical support) and the CBA-123 (a 19-passenger airplane for civilian use). If we manage to implement an aggressive marketing policy, we could use the income from these two airplanes to ease the pressure on the national budget and to recover the operational capability that has been diminished by the Malvinas War and the current national crisis."

Julia pointed out that "in the world's leading countries, weapons are an important source of income, and, in my opinion, if Argentina does not sell weapons, then another country will take over that market."

Julia said: "I think it will be much easier to exploit the weapons market under this administration." He added that the Air Force is contacting the Defense Ministry and the Foreign Ministry about those projects so that our actions do not oppose the political goals of the state. Those ministries will determine to whom we can or cannot sell."

National Emergency Bond Program Announced

PY1008184589 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1058 GMT 10 Aug 89

[Quotation marks as received]

[Text] Buenos Aires, 10 Aug (NA)—Announcing that "National Emergency Solidarity Bonds" will be issued as of 15 August, Health Minister Julio Corzo said that "it is impossible to build sound social integration on the basis of the injustice that affects the sidelined sectors."

In a message to the nation disseminated over a radio and television network, Corzo explained last night that state bank account No 2000/02, for voluntary contributions to the emergency fund, will be opened.

The minister was accompanied by other members of the National Emergency Council: Interior Minister Eduardo Bauza, Labor Minister Jorge Triaca, Caritas national director Antonio Vazquez Vialard, businessman Gilberto Montagna, CGT [General Confederation of Labor] head Saul Ubaldini, and General Gerardo Rivas, who is the director general of the Military Institutes.

Corzo said: "It seems redundant and unnecessary to repeat that this is a serious emergency, however, some sectors are ignoring the seriousness of the crisis and the social risk involved in the continuation of this situation."

Corzo emphasized that "unemployment, food shortages, infant malnutrition, and disease are poignant witnesses of a society that will be unable to build greatness if these painful needs are not met."

After recalling that "the main objective of this government, which is headed by Dr Menem, is the generation of a productive revolution," the minister said that he hopes in Argentina "there will be a return to the situation where there is only one class of citizen: Those who work."

Corzo added that "we know that several proposals have not prospered. They were more or less attractive and they frequently distorted the principle that the institutions and the sectorial organizations should be at the service of society, and not the other way round."

"In our society," he went on, "there are groups and sectors which have for a long time benefited from public policies and from the state-sponsored social well-being. Those sectors have failed to understand that the responsibility to assist those who need help does not fall only on the state; it falls on everyone, especially on them."

Corzo explained that "Decree 400/89 basically seeks, as a priority target, to meet the need for food" through a system that "provides bonds to the poorer sectors with which they can purchase specified products."

He explained that "the system allows the beneficiaries to freely choose food items. The system relies on the active participation of the middle-class social sectors to guarantee that the system will be free of abuses or distortions."

He warned, however, that "those antisocial people who attempt to use the program to receive undue benefits will be severely punished, based on judicial branch decisions. This will not, however, preclude the enforcement of the penal code while such decisions are being considered for approval."

Brazil

Joint Declaration Signed With Suriname

PY1108012489 Brasilia Domestic Service in Portuguese 2200 GMT 10 Aug 89

[Text] Brazilian President Jose Sarney and Surinamese President Ramsewak Shankar have signed a joint declaration at Planalto Palace. In the declaration the two presidents again pledged to preserve peace and international security.

During the ceremony, President Jose Sarney talked about the importance of the bilateral cooperation agreement signed by Brazil and Suriname. Sarney particularly focused on the progress achieved in the field of cooperation since he visited Suriname.

Sarney emphasized the many identical viewpoints, aspirations, and prospects between the two nations and the importance of these political agreements.

[Begin Sarney recording] In addition to the political agreements, the number and importance of these initiatives demonstrate that we are developing a solid basis for cooperation that will mark a fruitful and rewarding bilateral relationship for many years to come. [end recording]

President Sarney added that this document represents yet another element in the solid relationship between the two nations.

President Sarney has authorized an additional credit line to expand Suriname's telecommunications program.

The Surinamese president also visited the Supreme Federal Court [STF]. Ramsewak Shankar told STF President Jose Neri da Silveira that, like Brazil, Suriname is going through a democratic transition period and that next year a constitutional court will be established in the former Dutch colony.

Government Plans To Privatize 14 State Companies

PY1008174489 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 10 Aug 89

[Text] The executive branch will this week send Congress the first measures it has taken after reaching a pact with Congress for reviving the economy.

The government plans to privatize 14 state companies and sell the houses of ministers and directors of state companies.

This news was reported by President Sarney during a meeting in Planalto Palace with Chamber of Deputies President Paes de Andrade, Senate President Nelson Carneiro, and Civilian Household Chief Ronaldo Costa Couto.

Some of the state companies that will immediately be privatized are Itabira Special Steels Company [Acos Especiais Itabira], ACESITA; Piratini Steel Mills [Aco Usinas Piratini]; Sao Francisco Navigation Company [Compania de Navegacao do Sao Fransisco], FRANAVE; National Steel Mills [Compania Usinas Nacionais], UN; MAFESA [expansion unknown]; Uniao Petrochemical Company [Petroquimica Uniao]; River Plate Basin Navigation Services [Servicos de Navagacao da Bacia do Plata]; Bahia Metalworks Mills [Usina Sederurgica da Bahia); Mechanical Metalworks Plant [Usinas Mecanicas], USIMEC; National Alkaloid Substances Company [Compania Nacional de Alcalis]; Rio Grande do Norte Alkaloid Substances Company [Alcalis do Rio Grande do Norte], ALKANORTE; Southern Petrochemical Company [Compania Petroquimica do Sul], COPERSUL; and Minas Gerais Steel MIlls [Usinas Metalurgicas de Minas Gerais], USIMINAS. [Only 13 companies listed, as heard]

By privatizing those state companies, the executive branch will comply with a recommendation made by Congress in its emergency program.

It has also been decided that the following 12 companies will not be sold to the private sector: Petrobras [Brazilian Petroleum Corporation]; Bank of Amazonia; Bank of Brazil; National Economic and Social Development Bank [Banco Nacional de Desenvolvimento Economico e Social], BNDES; Bank of the Northeast; Federal Savings Bank [Caixa Economica Federal]; the National Mint; Electrobras [Brazilian Power Corporation]; the National Telegraph and Post Office; Rio Doce Valley Company [Companhia Vale do Rio Doce]; and Telebras [Brazilian Telephone Company]. [Only 11 companies listed, as heard]

The government will also adopt measures to increase imports by reducing import taxes.

Chile

Defense Minister, DC President on Amnesty Law

PY0908224389 Santiago EL MERCURIO in Spanish 31 Jul 89 p 10

[Excerpts] Defense Minister Vice Admiral Patricio Carvajal Prado yesterday said he fully supports the remarks by Air Force commander in chief General Fernando Matthei, who during an interview to EL MERCURIO said he disagrees with the attempt to annul the amnesty law. The interview was published on 30 July.

Carvajal granted the interview yesterday morning at the Diego Portales building, where he went after casting his vote in the plebiscite. The minister observed the press and communications room that was set up to cover the plebiscite.

"I fully support the remarks by the Air Force commander in chief, who had the honesty and the courage to say what he thinks. All of us agree with what he said," Carvajal stressed.

Christian Democratic Party [DC] President Andres Zaldivar has said in connection with Gen Matthei's remarks that his party does not want to engage in a controversy.

Zaldivar said: "We believe that it is necessary to carefully analyze those remarks, because we do not believe that our country is seeking verbal confrontation in such sensitive issues like those involving the Armed Forces. We reiterate—and on this point I am glad that Gen Matthei and I agree—that it is necessary to find points of agreement between the Armed Forces and the civilians in order to overcome discord and misunderstandings, and to find the differences that we may have."

Peruvian Military Chiefs Arrive for Talks

PY1008153889 Madrid EFE in Spanish 0210 GMT 10 Aug 89

[Text] Santiago de Chile, 9 Aug (EFE)—Vice Admiral Gonzalo Gambirazzio Martini, Peruvian Navy chief of staff, today stressed "the close ties and the atmosphere of trust" between the Peruvian and Chilean Armed Forces.

Gambirazzio, who arrived in Santiago today, made this remark to the local press following a meeting with Chilean Foreign Minister Hernan Felipe Errazuriz.

Gambirazzio is leading the official Peruvian Armed Forces delegation that is participating in the fourth round of talks between Chilean and Peruvian commanders to discuss issues related to the reduction of military expenditures.

Before the meeting, Gambirazzio, the Peruvian Army and Air Force Chiefs of Staff, the Peruvian Armed Forces joint chief of staff, and the Peruvian ambassador to Chile went to the Foreign Ministry to greet Minister Errazuriz.

Gambirazzio said: "The close relations that have always existed between the Chilean and Peruvian Armed Forces are clearly indicative of the relationship that should prevail between the Peruvian and Chilean people."

Asked about the development of the talks that began in 1986 at President Alan Garcia's initiative, Gambirazzio said that "important progress" has been made.

Gambirazzio also said that there are no problems in the relations between the Armed Forces and the civilian sector of his country. He added that progress is being made in the control of terrorism and that he has confidence that everything will be normal during the upcoming Peruvian presidential elections.

The fourth round of talks of the Chilean and Peruvian commanders that began in Santiago today will end on 11 August.

Colombia

Barco Speech Commemorates Battle Anniversary

PA0908233489 Bogota Inravision Television Cadena 1 in Spanish 1608 GMT 7 Aug 89

[Speech by President Virgilio Barco at ceremony to mark the anniversary of the Battle of Boyaca and on the occasion of Army Day, in Bogota—live]

[Excerpts] [Passage omitted] Simon Bolivar and Francisco de Paula Santander gave our Armed Forces the mission of defending freedom, independence, and democracy. Throughout history, the National Army has complied with that mandate. It has not been an easy task, even less so during the times we are living. Very few nations have had to confront simultaneously so many difficult challenges. Confronted by a combination of sources of disruption, the Armed Forces have not lost their determination and optimism, nor have they stopped for 1 minute the struggle for the reestablishment of tranquillity for the citizens, and for the protection of life, honor, and property of Colombians.

As the violence increases, our commitment to democracy and Colombia is strengthened. The price of courage and firmness has been high. Many soldiers, officers, and noncommissioned officers have been killed, but they are the heroes of democracy. On the occasion of Army Day, I speak on behalf of the vast national majority and convey to their families, friends, and fellow soldiers our message of encouragement, appreciation, and hope. Their efforts have not been in vain.

The battle to preserve democracy and defeat violence continues. The determination of Colombians does not weaken. Our enemies are alone, as never before, and this we owe to permanent actions by our Armed Forces.

In the electoral campaign, I offered the Colombians a policy of reconciliation based on defined guidelines and clear principles. This was the democratic mandate that we received from the people. Now, when we are harvesting the results of that strategy, we will not give up. The peace initiative has showed that it can operate and it will continue to be the framework within which we will conduct political action for national reconciliation.

Some believe that to preserve democracy, it is necessary to leave it idle, at the mercy of violence. Others argue that peace can only be achieved if we dismantle our capability to defend democracy. We do not agree. The government has confirmed that strengthening democracy and the quest for peace are not only compatible with improving and strengthening the Armed Forces, but that this is indispensable for advancing the political handling of violence.

Efficient, professional Armed Forces that serve the country are a definite guarantee of the rights of citizens and of peaceful coexistence. That is why this government has made a great administrative and financial effort to return to the military institutions complete freedom of action.

This commemoration of the 170th anniversary of our independence is a suitable time to ponder our duty to the homeland. I am not referring to daily civic duties, which are proper to all of us Colombians, but to something much deeper—loyalty to democracy and our institutions. Democracy's boundaries are broad, but precise. When violence to a certain extent is tolerated, more violence is created, there is a conspiracy against peace, and conflicts are aggravated. The entire society has suffered because of the activities of the enemies of Colombia. [passage omitted]

I congratulate the officers, civilian personalities, Sergeant Amaya Alvarez, and Private Malambo Tique, whose merits were acknowledged today in the name of their fellow countrymen and the government. [applause] This ceremony, in which we honor the heroes of independence and the Army, is a suitable occasion to make known to officers, noncommissioned officers, and soldiers alike the nation's recognition of their courageous and professional fulfillment of their duties. When the Armed Forces academies parade before us, so will the young men and women who have devoted their lives to serving the homeland and their fellow countrymen. Every honest Colombian supports them.

Soldiers: You, who wield the nation's arms, represent the basic guarantee that preserves sovereignty, liberty, and our democratic institutions. Thank you. [applause]

Government Minister on Peace Talks With FARC

PA1008001589 Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 8 Aug 89

[Interview with Government Minister Orlando Vasquez Velazquez by newscast director Amilcar Hernandez in Bogota; date not given—recorded]

[Text] [Vasquez] Generally speaking, all citizens who wish to form a political party according to the Colombian Constitution and laws are welcome to do so. Democracy includes the formation of all political parties. This is one of the achievements attained 21 years ago with the constitutional amendment of 1968.

[Hernandez] The dialogue with FARC [Revolutionary Armed Forces of Colombia] is about to begin. What will be the mechanisms used for these talks, Mr Minister?

[Vasquez] These talks will be conducted according to procedures similar to those used for our talks with M-19 [19 April Movement]. Obviously, there will be changes in some procedures depending on the group with which we are talking at the time.

[Hernandez] What are the steps to be followed in these talks, Mr Minister?

[Vasquez] The steps will be adopted directly by the Peace Council this week when its members get in touch with the groups that have requested direct dialogue?

[Hernandez] Have you considered traveling to the Uribe region to participate in a direct dialogue with the FARC leaders?

[Vasquez] No. We must first establish the initial procedures for the talks. Those procedures are being established by the Peace Council. Later on, in other words, toward the culmination of the process, high-ranking government officials will also participate in the talks.

Guerrillas Refuse Meeting With Presidential Aide

PA1008023089 Paris AFP in Spanish 1700 GMT 9 Aug 89

[Text] Bogota, 9 Aug (AFP)—The leftist guerrillas of the Revolutionary Armed Forces of Colombia (FARC) and the Popular Liberation Army (EPL), which are preparing to hold talks with the Colombian Government, today refused to meet with Rafael Pardo, presidential adviser in charge of the peace talks.

The FARC and the EPL, which together with the Quintin Lame Command and the Revolutionary Workers Party (PRT), form part of the National Guerrilla Coordinating Board (CNG), demanded that the government spokesman be Interior Minister Orlando Vasquez.

They also asked that the talks, scheduled for this week, include the Quintin Lame Command and the PRT.

Last week when President Virgilio Barcos's Liberal government agreed to talks with the FARC and the EPL, in an effort to dismantle these groups and to reincoorporate them into democratric life, it excluded the other two groups that had expressed their desire to be included in the talks.

In view of the guerrillas' demands, the government reiterated that the peace process will be conducted in the same way as is being done with the M-19 [19 April Movement] through the presidential adviser in charge of peace talks. The government also reaffirmed its determination to set the date and the manner in which the talks will be held.

* ELN Control, Influence in Arauca Detailed

33480226 Bogota EL TIEMPO in Spanish 2, 3 Jul 89

[Report by Plinio Apuleyo Mendoza]

[2 Jul 89 pp 1B, 4B]

[Text] Seen from the air, Arauca looks green and flat, like a giant pool table. In winter, low gray clouds float over the savanna, releasing sudden bursts of rainfall. Air

travel is constantly delayed by bad weather. Sometimes the sun, filtering through the misty cloud particles, provides a flashing glimpse of a whole symphony of intense greens and the yellow water, running slow and deep through the canals. Dense, seemingly impenetrable, patches of trees with palm trees raising their crowns in tightly packed buds above the vegetation extend darkly between the ravines of the savanna. The landscape is broad and bucolic, and this is also true, naturally, on both banks of the Arauca. Except that on the eastern side of the river there is a country at peace, Venezuela, while to the west there is a rebellious and dangerous country. Ours.

One feels the tensions which charge the atmosphere in Arauca with electricity very quickly as one begins to move from one part of the district to the other, talking with government employees, soldiers, cattlemen, professional people, and employees of the oil companies. This is a very special situation.

It is a fact that the Cano Limon-Covenas oil pipeline has been dynamited many times. It is a fact that in Betoyes, Tame, and Saravena, soldiers and policemen have died in ambushes, that Western technicians have been kidnapped, as have some cattlemen. Dona Alicia Luna, for example, a lady of 65, was surprised by six guerrillas at her farm, Las Margaritas, at 6 in the morning 6 months ago, and since then her whereabouts has been unknown. Two Incora [Colombian Institute of Agrarian Reform] managers have been shot. All of this is true, but despite it all, the situation in Arauca is not the same as the clamorous and bloody situation in Cordoba, Uraba, and certain regions in Magdalena Medio. It is in a way more subtle and profound. And perhaps more serious.

The Shadow of the ELN

One would be tempted to say that the chaos in Arauca came about because of the state, or in any case its representatives in the section government, and the happy folly with which the oil royalties were squandered, while the existing order—a dark, iron order based on fear—has come from the guerrilla force, in particular the ELN [Army of National Liberation]. Its spirit can be felt everywhere. It is a force which has put down deep roots in Arauca.

Its initial enclave was the foothills of the mountain range, but little by little it has spread throughout the savannas in the center of the intendancy, taking advantage of the fact that there is no military presence there. It virtually dominates the Sarare triangle in Arauca formed by Arauquita, Saravena, and Tame.

After a 10-minute flight from Cano Limon, one can discern the red ribbon, like a scar, of the highway which leads from La Esmeralda to Panama del Arauca. The region is one of rolling terrain with vast patches of woodland, canals, rivers, fertile lowlands, herds of cattle, flocks of herons, and along the highway, some parched settlements with their zinc roofs and unpaved streets—Los Chorros, Aguachica, Brisas del Caranal, Panama. Although it does not seem far from the camp and installations of Cano Limon, this is a region which is entirely in the hands of the guerrillas.

There is not even the hint of military or civilian authority there. The ELN and the FARC [Revolutionary Armed Forces of Colombia] have stores of supplies, extensive communal organizations, and even policemen who patrol the highway on motorcycles. No one passes without their authorization, on pain of being detained and questioned. Two helicopters belonging to Occidental which made imprudent landings in this area were burned. The intendant himself, Colonel Fernando Gonzalez Munoz, has observed from the air a patrol of guerrillas marching along the highway as if they were mere Boy Scouts.

The Guadalupe Salcedo 10th Front of the FARC and the Domingo Lain Sanz Front of the ELN function in Arauca. They act jointly, dividing up their zones of influence. Canadian oil technician Erick Paulson, who was kidnapped and held for a lengthy period by the ELN, remembered having been taken to FARC camps, as well. Their commanders meet and talk on a friendly basis.

The FARC is not active in a military sense. Its units oversee some coca plantings, particularly in the Puerto Nidia region. The land in Arauca is too acid to produce coca of good quality. What is raised is used to be mixed with cocaine to produce bazuco. Moreover, the work of the FARC is political—the indoctrination and organization of the peasants. Their votes incline toward the Patriotic Union (UP). The armed branch and the political branch are like two leaves on the same tree.

In Arauca, the ELN is much stronger. Through the mobile commissions which travel through the savannas, its members project their forceful authority on the ranches, in the ravines, and in the hamlets. They demand tribute (one out of every 20 head of cattle), but in exchange they offer extremely important protection. Cattle rustling, the traditional scourge of the region, once enriched the members of the rural DAS [Administrative Department of Security]. Now, then, the cattle rustlers have been eliminated in the simplest fashion—shot by the ELN. No one today dares break through a fence or steal a single head of cattle because of the fear and the authority, such as the state never managed to establish in the savanna regions, imposed by the ELN with its iron fist.

The Phantom People

Although almost all of the livestock breeders pay protection money, their attitudes vary with the part of the intendancy in which they live. Those who own properties to the east, between Arauca and Cravo Norte, where the guerrilla force appears only sporadically, speak more freely. This is the case with Francisco Lomonaco. This robust cattleman with the heavy eyelids, who is 50 and

the son of an Italian, has vast landholdings along an imaginary straight line following the boundary with Venezuela. He always travels with an escort of 12 men, and he maintains that he has never been willing to pay anything to the guerrillas. He complains that the Army provides the cattlemen with very little protection. "All of the soldiers are concerned with taking care of the pipeline," he says bitterly. The fact is they do not even do that.

His brother Esteban, who has about 300 hectares near the foothills occupied by the guerrillas, probably wanted to do the same thing, but he was executed by the guerrillas. Francisco Lomonaco has properties in the Tame region, but he does not dare to go there out of fear of suffering the same fate. The cattlemen one meets in that zone react in a reticent or evasive fashion. Everything is peaceful, they say. They have no problems. Yes, it is true that they make some voluntary contributions to the guerrillas from time to time. That is all.

Do they feel the vigilant eyes of the guerrillas on their backs? Have they decided to coexist with them in friendly fashion? Perhaps. It cannot be as easy as it seems. One of the cattlemen I met in Tame was in difficulties. He had received a communication from the ELN threatening to kill him if, married man that he was, he did not abandon his illicit relationship with a girl in the region. The ELN gave him 15 days. I learned this from a close friend of his, but he himself said nothing to me. He too assured me that everything was proceeding peacefully.

The ELN, headed by a former Spanish priest, has imposed monogamy on livestock breeders, who have traditionally been profusely polygamous. Apparently the wives are not displeased with this development. If they suspect their husbands of some infidelity, they refer their complaints to the ELN. The ELN is the supreme authority, and it has a hand in everything.

I was in Tame with the new intendant of Arauca, Col Gonzalez, when that town was in the midst of a protest strike. The section of the highway to Bogota between Tame and Sacama, was impassable because of the disastrous condition of a bridge over the Casanare River. The losses suffered by the zone were real, and perhaps the strike was justified. The surprising thing was the total, unanimous fashion in which all of the merchants had cooperated. Not even the Telecom [National Enterprise for Telecommunications] office was open. It was very simple, some police officers explained to me. Anyone who opened his establishment would be likely to see it burned or be killed.

The truth? An exaggeration? Hard to know. What is certain is that the UP is a dominant force there. Although he is a liberal, the mayor was elected thanks to its votes. Octavio Sarmiento, the former alternate for Duran Dussan in the Senate, is a sturdy little man, cordial and well liked by all. He is a good mayor. Why did he join forces with the UP? He talks about the corruption of the liberals in government, their manipulations and loss of prestige, the so-called Latorre-Villabona pairing in the intendancy, and his disillusionment. According to him, the UP has worked its way into the peasantry. But he does not deny that between it and the FARC, there is "a certain closeness" in this region.

The curious thing is that numerous conservatives (a respected doctor in the locality and a number of leaders) now belong to the UP. There are even municipal council members from this political group. Where does such unanimity come from? One suspects that the overwhelming presence of the FARC has something to do with it—the FARC and the ELN. But government corruption must have influenced it as well.

How can the mystery of Betoyes be explained? Betoyes, the village in the region where Bolivar spent the night before his encounter with Santander in Tame, is a ghost hamlet. No one lives there but two dozen policemen and an Army platoon. The houses, with or without furnishings, stand vacant. Nothing moves through them but the savanna wind. Why? Because of an ELN order, says Col Guillermo Achury, the commander of the operational group in Arauca. The ELN maintains in its regional publication that there was a protest against police repression by the residents. All of them abandoned the town.

The reality is that between 1982 and the present, Betoyes has been attacked by the guerrillas four times. More than 30 policemen died during these attacks. The nervous or angry survivors acted as if the peasant population were collaborating with their enemy. There were outrages and brutal actions. This is what happens when there is no military presence, no assertion of authority, no strategy to win the trust of the people. However, the fact that not one resident of Betoyes has stayed also suggests that an order may have been handed down by the high command of the ELN.

A City Under Control

If Tame seems to have adapted to its situation calmly, Saravena, on the other hand, leaves an impression of more tension. They are two very different communities. Tame is traditional, a plains city from head to toe. Saravena is an alluvial city, full of people who came down from the mountains because of the lure of manna—oil. Each door offers a bargain sale. Everyone seems to be waiting for nonexistent customers. In the hot and dusty streets, nothing seems to move without the authorization of the ELN.

The police must know this. There are 19 policemen sheltered in a barracks under the command of an enthusiastic captain with the bright green eyes of a cat. They live in a ghetto. In the main square, the barracks, located beside the town hall, is protected by stone enclosures like beehives, with embrasures through which guns can be fired in case of attack. In the courtyard, a light truck

prudently painted white is kept parked. Had its military green not been painted over, it would have been an easily recognizable target. Even so, the captain laughingly calls it "the death car."

There are no patrols after 7 pm. That would be suicide. Months ago, three agents who went to the Telecom office to call home were shot down. At the beginning of this year, 20 young soldiers from the Rebeiz Pizarro Battalion, none of them older than 19, ran into an ambush as they came into Saravena. They were traveling in a truck which was blown up by a dynamite charge. Eight died, and seven were wounded. The men were also shot at from the houses. The injured soldiers being rushed to the hospital suffered another hail of bullets. There were guerrillas hiding in the trees. Since then, both soldiers and policemen approach Saravena as if it were a city under enemy control.

None of this, however, seems to diminish the enthusiasm of the police captain. His bright eyes gleam with happiness as he explains how an attempt, frustrated to be sure, was made to approach the settlement. A difficult venture—nine girls, the sweethearts of policemen, had been murdered for precisely that reason. The ELN mounted a hostile siege around the police, threatening them. "Their commanders, on the other hand, move about in Saravena without problems," the captain says. "They sit in the cafes and sleep three blocks from the barracks, and one knows them, knows who they are. But what judge would dare to issue an arrest warrant for one of them?"

Is it true that the mayor was chosen by ELN members and that three of his bodyguards are guerrilla fighters? You hear that said here and there, not knowing whether it is true or whether it is the result of the kind of persecution complex typical of threatened men who are afraid even of their own shadows. Nor can one clarify the matter by paying a visit to the mayor, the focus of these suspicions, and sitting down facing him in his crowded office. Jose Vicente Lozano is a man of some 40 years, with a drooping Tartar mustache and small, unfriendly eyes. He is a liberal. When he defeated the candidate of the Patriotic Union, which had controlled the mayor's office, there was talk of a recovery for the liberal movement.

On a first level, this interpretation could be correct. But if it is true, as it is repeatedly said and as one seems to sense in the air, that the ELN dominates 90 percent of the population of Saravena, because of fear or sympathy—who knows which?—it is difficult to imagine that it did not have a decisive influence on the elections. Perhaps the mayor pragmatically accepted an accomplished fact. In any case, he works with the communal action councils, which are heavily infiltrated by the ELN. This arrangement has its advantages. The communal councils, which are subject in this zone to the iron discipline of the guerrilla organization, operate on a nonprofit basis. Thus a 45-meter bridge which would cost 80 or 100 million pesos in the capital of the intendancy can be built for only 7 million.

Mayor Lozano has made his feeble budget, which accounts for only 6.3 percent of the income of the intendancy, productive. He insists on pointing out that roads worth 70 million pesos have been built which, if they had been given on contract to private firms, would have cost eight times that. He also maintains that crime has declined drastically. The police captain, for his part, confirms this. Now there are no quarrels or killings for personal reasons in the bars in Saravena. The omnipresent ELN justice does not allow these things. The deaths which occur in the streets every week are political "executions," following judgments handed down by the high command of the guerrillas, naturally. All that the weak police force has achieved is to ensure that the bodies do not appear in the center of the town—only on the outskirts.

Terrifying Overseers

The country views the ELN as a subversive force obsessively dedicated to dynamiting the Cano Limon-Covenas pipeline and the oil facilities. But along with these actions, in those places where their fronts are functioning, a silent and profound campaign is being waged with the peasant and worker populations. In Arauca, the branch of the ANUC [National Association of Rural Land Users], the AIUC [expansion unknown], the communal action councils, the Ecopetrol [Colombian Petroleum Enterprise] union, the Incora union, and other enterprises and bodies, have been effectively infiltrated.

This is also the only guerrilla organization which has succeeded in supervising the activities of government employees, threatening them with possible death sentences. The case of the two Incora managers who were assassinated in Arauca is very revealing in this connection.

What unheeded letters or orders did Hector Ruiz Rubiano and Manuel Gonzalez receive from the ELN? Their deaths (the ELN calls them executions) were justified by that organization on the basis of the following actions: constant sabotage and harassment of the strikes held in Arauca; coordination and support of the Armed Forces; bad conduct and contempt toward the peasantry. It appears that they refused to provide vehicles for a strike.

Ruiz Rubiano, a native of Guateque, in Boyaca, was stopped one night by ELN members as he was traveling with his wife and children from Saravena to La Esmeralda. They made him get out of his automobile and they executed him, in front of his terrorized family, at the edge of the highway. His successor, Manuel Gonzalez, met the same fate.

"We will continue to watch the conduct of the administrative bureaucracy in the intendancy very closely," the ELN announced at that time. The successor to the two officials who had been assassinated took over the management of the Incora in Saravena with this prior warning. Alfonso Abril, a National Rehabilitation Plan

technician, is a blue-eyed young man who dresses and conducts himself beautifully. He seems sanctified by his aura as a technician. As soon as he assumed his duties, he decided to forget these orders and threats and to act according to his own conscience.

He conducted a housecleaning. He ordered dismissals and corrected irregularities. Surprise—the ELN sent him a letter of congratulation! But a few weeks later, he dismissed several drivers after it had been established that they were stealing gasoline from official vehicles. Some aspect of this must have offended the ELN, because that organization ordered him to rehire those who had been dismissed, threatening him if he did not do so. Remembering the fate of his predecessors, Abril decided to resign.

The firms of engineers which sign contracts with the intendancy receive similar messages. If they do not pay a tax to the guerrilla force, their equipment and machinery is at risk of being blown up. Frightened politicians assign juicy portions of the budget to the settlements where there is no state presence at all. In this way, they are taking out insurance policies.

The nerve center, naturally, is the oil pipeline. "Not even by posting a soldier every 10 meters could we prevent them from blowing it up," an official told me. This operation is an easy one when the guerrilla force can find a peasant to dig the hole where the dynamite charge will be placed. This is what usually happens. In addition, the ELN has its own men in the Ecopetrol trade union.

In the fundamentalist thinking of the ELN, the losses caused by these attacks on the country do not count. It is a question of "striking at U.S. imperialism," of protesting against the concessions and the partnership contracts they regard as damaging to the country.

Cano Limon, therefore, is in the guerrillas' sights. In the camp, the employees of the Cravo Norte Association, which includes Occidental and Shell, lead a life which would be easy and comfortable if it were not for the constant threat of kidnapping. In principle, no one dares venture outside the wire mesh which surrounds the area. Within the clean and cool asbestos-fiber buildings, delicate ivory and mustard yellow in color, nothing suggests the heat, the humidity, and the dust characterizing the world which exists on the other side of the mesh. Splendid bougainvillea with purple flowers droops over meadows of green, green grass which look like they might have been imported from Virginia. After dinner, which is served at 6, the employees play tennis, billiards, or cards.

The peaceful impression is deceptive. Outside the camp, insects and dangers swarm, above all when darkness falls. During the night I spent there, a Mexican engineer was kidnapped near the camp. The Cravo Norte Association engages in active work with the peasant communities. I saw a model hamlet, El Troncal, which was paved with Association support, with its farms, health units, and schools. The peasants welcome this assistance. So does the communist (UP) mayoress of Arauquita. Amparo Lopez Quintero, a woman who is still young, with steady dark eyes, radiates the same energy in the mayoral office which made her captain of a basketball team. She has managed the 1.266 billion received from royalties efficiently. She has peppered the region with educational centers and health posts.

The mayoress accepts the aid of Occidental, but she makes no basic concessions to it. Her ideology, beneath a surface of cordiality, emerges hard as granite. When one asks her if the 4,000 peasants who tried to march on Cano Limon last year did so spontaneously or thanks to guerrilla pressure, her eyes turn icy. "They have a greater awareness of national interests than you suppose," she says.

Mass departures, peasant marches.... One knows what lies behind them. There is always, in one form or another, the guerrilla rifle. And the guerrilla force is also to be found in that zone near Cano Limon. It is establishing stocks of supplies 15 minutes away from Arauquita. The guerrillas are the real force, the real power in Arauca. That of the state is weak, inadequate from the military point of view. And from the political point of view, at least until the arrival of the new military intendant, not only was it too weak to face up to this danger, but what is worse, it was a pot in which all possible types of irregularity and corruption would bubble. It is not for nothing that there has been talk of a "Saudi Arauca."

[3 Jul 89 p 3A]

[Text] Oil, many residents of Arauca say, has created more problems than it has prosperity. This is an unjust statement with a kernel of truth in its center. The oil boom had a defect from the beginning. So that the ELN [Army of National Liberation] would let it build the oil pipeline in peace, Mannesman is said to have paid it a substantial sum, which some estimate at $300 million, while others say 2 billion pesos. The truth will never be known. If Mannesman proceeded in this fashion, the buccaneer's cynicism proved naive. The ayatollahs of the revolution do not honor gentlemen's agreements with the businesses which represent imperialism. Since it was built, the oil pipeline has been the target of 60 attacks.

With the appearance of the oil companies, money began to flow in Arauca. Everything, from a bunch of bananas to vast spreads of savanna, was purchased at a price in excess of the value. Today the companies are struggling at the center of a web of claims. Swarms of lawyers listing demands are hovering over the oil sector like flies around a dish of honey.

On the other hand, the 21 billion pesos the intendancy received by way of royalties went to a section administration infested with political patronage, giving rise to a veritable orgy of irregular contracts for all kinds of projects—some good, others debatable, and still others

merely frantic. On the banks of its vibrant Arauca River, the capital of the intendancy had been a forgotten city. Now it is the headquarters, permanent or temporary, for 1,150 contractors who were awarded work on the whim of the allocating official, without going through the preliminary processes of submitting bids or any comparison of offers. "Saudi Arauca" exists.

A Muddy Well

The guerrillas, oil, patronage—the mixture could not be more explosive. While the guerrilla force is spreading throughout the center of the intendancy, the liberal political movement is being torn apart by an ancient war between the group headed by Senator Alfonso Latorre Gomez, the grand electoral baron of Arauca, and the so-called independent liberals. The Patriotic Union [UP] serves as the pointer on the scale, sometimes tipping toward one side and sometimes toward the other, as it suits its purposes.

The political group headed by Senator Latorre had the task of administering the intendancy's fiscal bonanza. While there was no administrative infrastructure prepared for the purpose, a swarm of greedy contractors swooped down upon the budget like gadflies, manipulating family relationships and political influence. The most outrageous proposals abounded, as happens to a poor man when he wins the first prize in the lottery.

The development plan which came to be proposed in order to impose discipline on public expenditures was blocked in the Council of the Intendancy by means of a demagogic argument—it should be submitted to a popular vote. While this is pending, if indeed it ever comes about, the intendancy has been left with a free hand. For the purpose of evading the gaze of the national auditors and controllers, a providential concept was found—urgent need. With this and the dividing up of contracts, the reef of public bidding could be circumvented. In addition, in violation of the law, the Council of the Intendancy approved an agreement establishing a controller's office for the municipality of Arauca, which it would be able to manage.

In this way, all of the intendancy projects are obviously deemed urgent, although some for which contracts were signed 2 or 3 years ago are proceeding at a snail's pace and have undergone scandalous revisions doubling and tripling their cost. This is the case with the bridge over the Bojaba River and the highway between Arauca and Cravo Norte. Contracts like these are riddled with irregularities. Two years ago, the investigative unit of EL TIEMPO made a detailed and exhaustive report on all of them. Some contracts were granted to the son of Senator Latorre himself and to his son-in-law.

The irregular contracts and the unjustified projects between that time and the present have filled a whole black book which the independents, members of the liberal board of officers of the intendancy, have put into the hands of the new intendant, Colonel Fernando Gonzalez Munoz. Delving into its pages is like plunging into a well full of muddy water, in which the administrations of the intendancy and the municipality of Arauca are submerged.

In the most innocent of cases, one finds waste like that of the pharaohs. The monument al coleo [meaning unknown] one sees on entering the city cost 300 million pesos. A velodrome (in a region where there are no more than 10 cyclists) cost a billion pesos. A park where the great attraction is a lake with artificial waves cost 800 million. A manga de coleo [meaning unknown], lit up at night, cost a similar amount. While these projects are enriching the contractors, the residents of the shantytown districts in Arauca are walking around in mud up to their ankles, and the streets are full of potholes.

Enveloped by the dizzying millions flooding in from royalties, Julio Acosta Bernal, the only mayor elected in the intendancy by the votes of the liberal movement, has been made a veritable emir by his own public relations campaign. His victory was celebrated with 3,000 bottles of liquor during a revel which the late shah of Iran would have envied. Succulent publicity budgets support broadcasting stations and television newscasts and programs, and certain correspondents for daily newspapers even receive salaries for "passing on news of the government of the intendancy or municipality." Recently, Mayor Acosta Bernal had the idea of gathering the mayors from all over the country together in Arauca. Among the many gifts (hammocks, sombreros) distributed to them were gold escudos.

Insurance Policies

These ostentatious extravagances are occurring, let us not forget, in a region which the guerrillas have invaded. Moreover, they provide a drastic contrast with the more rigorous and efficient way in which the mayors of Tame, Saravena, and Arauquita, who were elected thanks to leftist votes and are administering the public monies under the vigilant eye of the guerrillas, are managing public monies. The commanders of the ELN have fertilized the terrain for the development of the peasants' awareness. The picture of a minority wasting money while the people remain neglected is not a typical leftist stereotype in Arauca, but a demonstrable reality.

The political emirs of Arauca do not seem to realize that instead of sitting on barrels of oil, they are sitting on powder kegs. The smartest thing they can think of, with the guerrilla force in mind, and faithful to their inclination toward patronage, is to provide the villages and the communal councils they control with a slice of the budget. In this way, incidentally, they are taking out personal insurance policies. And so 530 million pesos have been given to the communal action councils in the Sarare region. Fortul will have a health budget of 100 million pesos, and Panama del Arauca will have an exhibition hall worth 50 million.

An intelligent move, some will say. Is it really? There is no state presence at all there, so that these funds, although justifiable, will go to strengthen the power of the guerrilla force, which is entrusted with their administration through its rural organizations. The most likely thing is that this will be done carefully, without waste. The residents of these regions will see in clear fashion who governs better—the Colombian state or the subversives. Without any long-term view, the political emirs of Arauca are not the men best qualified to defend a democratic system. They are too concerned with obtaining money and seeing that their friends make money.

Without a doubt it will be said that these judgments are unfair, because a very ambitious road system, the cost of which will reach some 100 billion pesos, has been initiated in the intendancy. That is true. The project in itself would seem defensible, but if the contracts for the building of the bridge over the Bojaba River or the Arauca-Cravo Norte highway and other similar projects are studied carefully, the irregularities and the budgetary license leap to the eye.

There will also be talk about their famous Agricultural Development Plan. This involves a substantial investment—1.245 billion in 1988 and 1.662 billion this year. How many families have been benefited to date? Only 375. This is also money wasted and used for electoral purposes to rally support for an intendancy council member. Allocated without strict procedures or supervision, as a purely benevolent act, this credit will be difficult to recover. Nor will it increase agricultural production. In fact, the farm front in Arauca is shrinking rather than expanding. Less rice, corn, and cacao is being cultivated today than in the past.

All of this constitutes nothing but a facade of progress as deceptive as a papier-mache stage set. What can be done? The government took a healthy step with the appointment of Colonel Fernando Gonzalez Munoz as the intendant. An officer on active duty and a professor of economic science, Gonzalez makes an excellent impression. He is an honest, determined, intelligent man, and he inspires respect even among the mayors elected by the left wing. In Tame, I saw how he settled a civic strike in speedy and effective fashion, without promising anything he could not deliver.

His is likely to be a cabinet of technicians. He cannot be asked to work with the emirs and their representatives, as the government, with its nefarious system of political quotas, would sometimes like. On the other hand, nothing effective can be done if the savannas continue to be totally neglected, lacking an effective state presence. The commissions of soldiers which are sent out from time to time disperse the guerrillas, but they reappear when the soldiers leave. There is no consolidation of areas.

Col Guillermo Achury, who commands the operational group in Arauca, is a clearheaded man who is very familiar with the situation in Arauca. But—and this is not his fault—he gives the impression of a helpless surgeon who explains to you in correct detail all of the problems of his patient, who lies dying at his side. He has a force of only 1,500 men for an explosive area of 28,000 square km, where one of the sources of the national wealth is based. If one subtracts about 30 percent of the soldiers who are in training, 10 percent who are on furlough, and another 10 assigned to administrative duties, the 700 men remaining can only control the nerve points on the oil pipeline, the places where the crude oil is stored and pumped, the derricks, and the communications infrastructure.

Meanwhile, what can the cattlemen and the peasants in the savannas do? They can only commend themselves to the Holy Spirit. The saddest thing of all is that the Army cannot provide the oil companies with security for their new prospecting ventures either. There are indications of rich deposits in the Brisas Mountains and in Panama del Arauca, zones controlled by the guerrillas. Col Achury himself has had to ask the enterprises to abandon their intention of establishing new labor fronts. He cannot guarantee the safety of their equipment and camps. This is the guerrillas' greatest victory.

A sad confession. But what can Col Achury do? Sometimes one wonders if there is not a certain ossified rigidity on the top military level. When there is a fire in a street, the firemen can focus their hoses on the place where the fire is most intense. Or they can simply distribute buckets of water house by house. Perhaps the first method would be the most effective. One thing is certain—with his bucket of water, Col Achury cannot accomplish much.

Of course, a simple military presence to consolidate area control is not enough to resolve as profound a problem as that in Arauca. The guerrilla forces have raised the consciousness of vast peasant sectors traditionally neglected by the large landowners. Technicians and honest development plans should be put to use. And if what is really wanted is to recover this vital region of the country, something else is needed—a great broom. It is not the emirs who are going to save Arauca.

Paraguay

Communist Labor Leaders Denied Visas

PY1008162889 Asuncion ABC COLOR in Spanish 10 Aug 89 p 6

[Excerpt] Foreign Minister Luis Maria Argana on 9 August said at Government House that the Soviet, Cuban, and Nicaraguan labor leaders who, along with other labor leaders, were scheduled to arrive in our country this weekend will not be allowed to enter.

When asked about this matter, the minister replied: "Our position is that there are no free unions in those countries and that, consequently, they are not labor leaders. Therefore, no visas shall be issued to any alleged labor leaders from communist countries."

Asked whether the government has already made a firm decision on the subject, Argana answered that "the decision has already been made."

When asked whether this measure might contradict the democratic principles that are now preached, he replied: "All sovereign countries have the right to deny visas. The United States, the country that most strongly practices freedom, last year refused to let a Colombian journalist enter its territory, despite the fact that she arrived at the airport with a visa. She waited for 8 hours and was then forced to return in another plane. The United States, which is a leading democracy, has done it. Therefore, I don't think there is anything wrong with our own decision." [passage omitted]

Government Ratifies Human Rights Convention
PY0908150489 Asuncion ABC COLOR in Spanish 9 Aug 89 p 10

[Excerpts] After promulgating Law No 1, which approves and ratified the Inter-American Human Rights Convention, President Andres Rodriguez said yesterday that "our democracy is already at work, and the proof of it is this commitment to human rights that the government has assumed." He added that "Paraguay has paid the debt that it owned to its people and to the other democratic nations of our continent."

The law was promulgated during a ceremony at the presidential office in Government House. The ceremony was attended by Congress President Alberto Nogues, Supreme Court President Juan Alberto Correa, Asuncion Archbishop Msgr Felipe Santiago Benitez, and Foreign Minister Luis Maria Argana. [passage omitted]

After expressing his satisfaction over the signing of the document, Rodriguez said: "The promulgation of this law confirms the promise I made on 3 February, when I said that respect for human rights was one of the main objectives of that vindicating deed."

"Paraguay has now paid the debt it owed to its people and to the other democratic nations of the continent," Rodriguez went on, adding that " democracy in our country is already at work, and the proof of it is this commitment to human rights that the government has assumed with this law." [passage omitted]

Taiwan Government To Grant $50 Million Loan
PY1008184689 Asuncion ULTIMA HORA in Spanish 9 Aug 89 p 12

[Summary] After meeting with President Andres Rodriguez this morning, Taiwan Deputy Foreign Minister Chin Shu-chi reported that the Taiwan Government has decided to grant a $50-million loan to Paraguay to promote its economic development. He also said that his government will grant 200 million guaranies to a farm owned by the Armed Forces to expand the cultivation area.

Chin Shu-chi also reported that the Taiwan Government has officially invited President Rodriguez to visit Taiwan and that Rodriguez stated that he might visit that country next year.

Peru

'State of Emergency' in Huarochiri Province
PY0908221489 Madrid EFE in Spanish 2149 GMT 9 Aug 89

[Text] Lima, 9 Aug (EFE)—Today, the Peruvian Government declared a 30-day state of emergency in Huarochiri Province, Lima Department, due to the terrorist activities in this province.

According to the pertinent decree published in the OFFICIAL GAZETTE, "individuals trying to disrupt public order are carrying out acts of violence in mining centers, causing substantial economic losses both to private enterprises and to the state."

On 1 July 1989, the Peruvian Government declared a 60-day state of emergency in Andahuaylas Province, Apurimac Department, in southern Peru, and also extended for 60 days the state of emergency in seven Peruvian departments.

The state of emergency, involving at least half of the 22 million people in Peru's population and one-third of the national territory, involves the suspension of individual rights and the military control of the territory affected by this measure.

National Electoral Court President Elected
PY0908132289 Lima Television Peruana in Spanish 0235 GMT 9 Aug 89

[Summary] Carlos Castaneda Lafontaine today was elected by the Supreme Court of Justice as president of the National Electoral Court. Castaneda graduated as a lawyer in 1953. He has been a member of the Labor Court, a lower court judge, counselor of the Chamber of Deputies from 1963 to 1968, president of the Agrarian Court, and lately a member of the Supreme Court.

Uruguay

Foreign Minister Announces Budget Reduction
PY1008023789 Montevideo Radio Carve in Spanish 0000 GMT 10 Aug 89

[Excerpt] Foreign Minister Luis Barrios Tassano has reported that the Foreign Ministry's budget has been reduced by more than $3 million. The foreign minister also pointed out that this economy was achieved by not filling vacancies and by increasing income through consular fees.

Barrios Tassano indicated that ambassadorial posts will not be filled in some embassies until the new administration is inaugurated, with the exception of the Uruguayan diplomatic mission in Peru, to which Dr Luis Zerbino will be appointed.

[Begin recording] [Barrios] The embassies are not left vacant. Officials, although probably not at the ambassadorial level, will remain in the embassies. Of course, the embassies will continue operating with a charge d'affaires; that is, with high-ranking officials—without ambassadorial ranks—so that they can [words indistinct].

[Reporter] If Dr Zerbino's appointment is approved, will he be assigned to Peru?

[Barrios] No doubt. [passage omitted] [end recording]

Zerbino on World Bank Loan, Bond Sold in Japan
PY1108033589 Montevideo Radio Carve in Spanish 0000 GMT 11 Aug 89

[Text] Over the next 8 days $35 million will be disbursed as part of a loan granted by the World Bank.

This announcement was made by Economy Minister Ricardo Zerbino, who denied that the loan would affect the country's sovereignty or compromise the government that will be inaugurated next year.

The economy minister added that the $140-million loan includes a program that will put the banks involved on sound footing and induce other actions within the financial system.

Accountant Ricardo Zerbino pointed out that for the last 2 years the government has been explaining the contents of the regulations that govern the loan contract, regulations regarding the policies to be implemented in the management of the banking institutions.

The economy minister also announced that Uruguayan bonds have been sold on the Japanese market and that on 15 August the securities—for which 2.5 million yen, about $18 million, will be collected—will be issued.

Television To Be Broadcast by Satellite
PY1008175889 Madrid EFE in Spanish 0205 GMT 10 Aug 89

[Text] Montevideo, 9 Aug (EFE)—The media in Montevideo was informed today that the first television station built in a duty-free zone will begin broascasting from Uruguay in November. The main clients of the station will be the 25 million owners of parabolic antennas in the United States and Latin America.

The new television station is presently being built in the duty-free zone of Nueva Palmira, 390 km west of Montevideo.

The project—owned by a private multinational group—will cost $2.5 million.

The firm called "Sarmiento Television" will operate through an Intelsat satellite. It will receive and select reports from the most important world centers, add the most oustanding South American news, and broadcast its programs to the entire continent.

The station will also sell special programs to other stations on all continents.

The ground station was designed and built by Uruguayan technicians using Japanese and U.S. technology.

"Sarmiento Television" will operate in FM. It will receive, amplify, and retransmit the signals from the Intelsat satellite in 36 mhz.

The undertaking is part of a private telecommunications program of a group that operates in Brazil, Argentina, Chile, and Paraguay.

The experts who reported to the Paraguayan press forecasted that the development of satellite television will take 10 years, and will be based on a market of 90 million parabolic antennas.

The firm said that the station will be used to broascast programs for different clients, and it added that it is the first of its kind installed in a duty-free zone.

Interior Under Secretary Silva Confirmed
PY0908144689 Montevideo Radio Carve in Spanish 0930 GMT 9 Aug 89

[Summary] Washington Baliero Silva has been confirmed as interior under secretary.

Venezuela

*** Formal Application to GATT Submitted**
33480229a Caracas EL NACIONAL in Spanish 15 Jun 89 p D 9

[Article by Rosita Regalado: "Private Sector Makes Preparations for GATT"]

[Text] Businessmen are preparing to take advantage of the international open market which will be offered through the General Agreement on Tariffs and Trade, GATT, since our country is virtually assured of entry into this trade arrangement. Senior business leaders said this on 14 June at a program sponsored by Fedecamaras [Venezuelan Federation of Associations and Chambers of Commerce and Industry]. At the program it was stated that the businessmen are planning to use the time before the formal entry of Venezuela, about 1 year, to prepare the whole productive structure of the country to compete advantageously.

Hugo Fonseca Viso, the president of Fedecamaras, opened the program, which was held in the "Angel Cervini" auditorium. He emphasized the fact that the majority of Venezuelan private businessmen are aware of the need for more active participation in the negotiations for the entry of Venezuela into the GATT.

Next to Fonseca Viso at the presidium were Alberto Poleto, president of the Committee for the Entry of Venezuela Into the GATT; Miguel Rodriguez Mendoza, special assistant to the president of Venezuela on matters concerning the country's entry into GATT; Simon Molina Duarte; and Ismael Perez Vigil.

Fonseca Viso said: "For the first time the private business movement has been urging the entry of our country into GATT. For that reason a special committee chaired by Dr Alberto Poletto was appointed to study the implications for this country of the entry into GATT. This time we have acted as we should have done on many other matters."

He added: "The members of this committee have shown a continuing concern in this matter through weekly meetings and consultations with institutions and persons interested in the question. Valuable information has been obtained on the matter."

He emphasized: "As we know, Venezuelan economic policy must move toward a policy of external trade. We have already gone beyond the possibilities of a small, internal market, and foreign exchange income from petroleum, to the extent known previously, has declined. This situation necessarily forces us to move toward an opening to foreign markets, because in that way we will have access to larger markets and will obtain more decisive social benefits because the costs of production will go down. This result will directly benefit consumers. Furthermore, possibilities are opening up to create new jobs to meet the demands of the labor market through the establishment of new export industries."

He continued: "I think that this should be the economic expansion policy of the country. We have taken the first steps along this path, and the new tariff duties so far announced are in this order of ideas. Undoubtedly, the announcement by the government that it has formally requested entry into the GATT arrangements amounts to a definitive step in this direction. Venezuela will have to deal with a new strategy of development toward the world."

For his part Alberto Poletto recalled the efforts made by the committee over which he presides and emphasized the fact that Venezuela had to take this initiative. One year ago the Board of Directors of Fedecamaras agreed to recommend beginning negotiations to this end. In the same report of Fedecamaras it was recommended that this action, together with entry into GAT, could not remain an isolated development. It was necessary to undertake a series of measures to reform the trade and industrial policy of the country, which could be made coincidental with the entry into GATT. In fact, to a greater or lesser extent, that is what has been done so far under this process.

Poletto said: "The important thing is not just to join another international forum, for in fact we are members of many others, not all of which have the same usefulness. Entry into GATT means substantial help for the process of opening up our trade. Furthermore, we realize that the procedures which GATT has are the most suitable among the existing organizations in the international world."

When his turn came to speak, Miguel Rodriguez Mendoza, special assistant to the present for the entry into GATT, referred to the formalization of the Venezuelan request for entry, through a letter sent to the authorities of the organization.

He stated: "Now the process begins, which we believe will last for 1 year, until we specifically enter the organization. We have delayed for somewhat more than 40 years in formalizing a decision which the Venezuelan Government made in 1948. I say this because GATT in its original form was expected to be part of the international trade organization, which was one of the three fundamental pillars in the reorganization of the world economy after World War II, the other pillars being the IMF and the World Bank."

* Salary Indexation To Promote Economic Growth

33480229b Caracas EL NACIONAL in Spanish
11 Jun 89 p D 9

[Article by Wilmer Ferrer]

[Text] Chi-Yi Chen prefers to use the term "salary adjustment" rather than indexation. In this respect he notes that any salary increase not compensated for by an increase in productivity is inflationary, since it raises the costs of production without a balancing consideration.

Chen believes that this argument is valid when the cause of inflation is exclusively attributable to salary increases. However, when the causes of inflation come from devaluation in an economy dependent on imports, the budget deficit, or abusive price setting by quasi monopolies, "salary adjustments add very little to the rate of inflation."

He recalled that salaries do not exceed 20 percent of the total cost of production in the modern sector of the Venezuelan economy. Therefore, it is not correct to say that salary adjustments are the principal cause of inflation.

Professor Chen was a panelist at the forum entitled "Salary Indexation, Advantages and Disadvantages," in which Mireya Rodriguez, director of the Center for Documentation and Analysis for the Workers (Cenda),

made the principal presentation. Professor Chen said that the process of recent price increases shows that the price fixing mechanism has no relationship to costs, beginning with the petroleum sector.

Chen, who is the director of the Institute of Economic and Social Research of the UCAB [Andres Bello Catholic University], warned that it is natural that productive activities which are very dependent on imports would experience an increase in costs proportional to the devaluation. However, it is difficult to understand why goods or services independent of the foreign exchange rate would triple their prices. This involves a price fixing system which simultaneously takes into account the present devaluation, the delay in making adjustments in previous years, and perhaps, above all, an exaggerated expectation of future inflation.

He said: "The devaluation of the bolivar not only has an impact on the costs of production of activities dependent on imports but also feeds demand inflation through the state, which multiplies its effect through taxes on petroleum activities and injects a greater amount of money into the economy. However, this amount of money can be partially neutralized by service on the debt."

Chen stated that in the context of the inflationary scenario which has been described, it is logical to conclude that "salary adjustments have no preponderant impact on inflation, to the extent that inflation has been unleashed by indexed prices, by preventive price increases, and by the increase in public spending resulting from devaluation."

He continued: "Under present circumstances salary adjustments will not necessarily contribute to accelerating inflation, since preventive price increases could cover, at the same time, a small rise in costs and maintain, at the same time, a broad profit margin. Furthermore, greater sales mean greater profits. Therefore, salary adjustments as a mechanism for regaining purchasing power represent the gateway to greater economic prosperity."

He then went on to present practical justifications for salary adjustments: first, there is a very close relationship between consumption and economic growth. Therefore, the first recommendation for financial recovery which any creditor makes to his debtor is a restriction of consumption, to reserve a growing proportion of income to pay debts. Thus, the IMF has the task of regularizing and, by definition, recommending such measures.

He stated: "In the context of a democratic and strongly subsidized economy, as in the case of Venezuela, I believe that this recommendation is not viable, either from the sociological or the economic point of view. In the social and political sense it is not viable because there is a very narrow limit to restricting consumption, since the people have experienced a systematic deterioration of their purchasing power since 1979, accentuated by the package of economic measures adopted by President Perez involving the elimination of subsidies, freeing prices, and holding down salaries. At this time we are below the living levels of 1966, which means that we have gone back more than 20 years."

Prof Chi-Yi Chen issued this warning: "If we do not make decisions in the relatively near future regarding salary adjustments, new conflicts will hinder natural economic development."

He said: "I hope, on the one hand, that the trade unions will promote salary adjustments by organizing labor disputes, strikes, or other actions. And those people who are not members of trade unions should also organize constant, isolated labor conflicts to improve their income levels. Within that neoclassical scenario we are saying that wages will be increased through collective bargaining. However, I ask myself what the trade unions are doing. It looks to me as if they are sleeping and hoping that Daddy will give them a signal to do something. I see that, within the framework set up by the package of economic measures, the people are waiting for the trade unions to act to support their salary aspirations."

Chen said that, from the economic point of view, the systematic repression of consumption in the present context of an economic crisis, is a very doubtful decision. Economic recovery has never begun through a deepening of the recession. On the contrary, every economic slowdown during a stage of recession worsens the crisis. In a market economy the efficient utilization of the existing productive apparatus and the decision to intervene to broaden or diversify productive capacity depend on the perception among businessmen of present and future prospects for demand. If the perception is negative, we will not be able to expect either the more efficient use of existing productive capacity or additional investment over the short and medium term. The reduction in domestic, private consumption cannot be compensated for by an increase of exports, as long as the increase in public consumption plays a supplementary and not the principal role.

He stated: "On the hypothesis that domestic demand cannot be increased rapidly, an adaptation of the productive apparatus for export is needed. Therefore, the only viable path to follow is an increase of domestic demand through the restoration of purchasing power, which has been reduced by inflation over the past 5 years. The Venezuelan economy will not be able to grow or to produce more if, over the short term, there is not sufficient demand represented by growing purchasing power."

In Chen's view the success of indexation depends on several variables: first, whether the state wishes to have a budget deficit or not. If the propensity is to continue the deficit, the inflation will continue, and indexation will fail. In the second place the loss of purchasing power

caused by devaluation is not indexed because it is a form of indexation of the value of money. A third condition for success lies in the fact that when the state exercises monopolistic control over foreign exchange, the results of devaluation should be used to compensate for the loss of purchasing power by the people. We should avoid its being translated into demand inflation, which, it seems, the state does not wish to do.

Then he pointed out that all of the Western European countries have mechanisms for salary indexation. Thanks to them Europe has been able to maintain its rate of growth, thus recovering from the crisis of the 1970's. In Latin America the special case of Argentina failed because "the state never agreed to reduce its expenditures, resolving its budget deficit by means of printing paper money." Therefore, "salary adjustments are the gateway to economic prosperity. And if the government does not wish to follow this policy, believing that we are going to increase the supply of goods through the external market, this is an illusion over the short and medium term. This is because domestic demand cannot make up or compensate as rapidly for the shortage of domestic demand."

He concluded: "And if there is no domestic demand, there is no way of growing or of overcoming the crisis. Therefore, the solution for this situation is salary indexation."

*** Rodriguez, CTV Discuss Commercial Bank Debt**
33480229c Caracas EL NACIONAL in Spanish
15 Jun 89 pp D 1, D 7

[Article by Omar Lugo]

[Text] The government is studying the draft labor law to determine its implications. This was stated on 14 June at the headquarters of the Confederation of Venezuelan Workers [CTV] by Miguel Rodriguez, minister of coordination and planning. However, he said that he is opposed to salary indexation "because this measure has had catastrophic implications in the Southern Hemisphere for the increase of inflation."

The minister presented at CTV headquarters the previous concept for the reduction of the external debt under the Brady Plan and the refinancing of part of the Venezuelan commercial debt which the government is studying. The plan provides for the repayment of capital over 20 years with a 7-year grace period and a guarantee of payment of interest for 2 years, at an interest rate still under study and subject to alternatives under the so-called options menu.

Rodriguez met for several hours with the members of the Executive Committee of the central trade union organization, during which he presented once more the provisions of the package of measures adopted by President Perez. He stated that the worst is already over and that in a short time inflation will be under control, interest rates will be reduced to single digit figures—that is, less than 10 percent—and shortages of essential goods will be avoided.

Nevertheless, Gaston Vera, acting president of the CTV, displayed his skepticism regarding the success of the program. He pointed out that the central workers' body is continuing its policy of opposition to the package of economic measures by demanding its change, as specifically mandated by the Second Congress of the CTV, held in April 1989. No basic comment was made regarding the statements by Rodriguez, although the members of the Executive Committee, numbering about 20 from its various factions, refuted the basic concepts of the program and expressed their pessimism in the sense that it is unlikely that the goals set out by the cabinet will be met.

Regarding the debt refinancing program, the minister explained that it concerns $21.7 billion of the debt. The government is insisting on a reduction of 50 percent of its value, while the banking industry is proposing a reduction of only 20 or 25 percent. He added that the program under study is specifically focused, that is, directed to countries like Venezuela, which are carrying out the adjustment program of the IMF. It provides for the exchange of the old debt for a new debt, with the latter guaranteed by lower risk securities, that is, bonds covering the debt backed by the program of external financing. These bonds would be supported by 25 percent of the loans to be extended next week by the IMF, with the rest of the proceeds of the loans going, as has been stated, to finance government social programs and to strengthen our reduced international reserves.

The Perez administration plans to transfer a large part of the commercial debt to multilateral institutions in its refinancing program. These loans will be at lower and more stable interest rates, compared to those in effect in international financial markets. On the other hand the government has provided for incentives for local investors, since in the international markets the value of the paper covering this debt is worth only 60 percent of its face value.

At his meeting with the CTV leaders Rodriguez provided further details of the employment plan which is aimed at the creation of 21,100 new positions. This plan is in the framework of a program of social security for the second half of 1989. It is aimed at providing work for untrained personnel, particularly in the area of construction, improvement of residential areas, aqueducts, and sewers through public authorities and central government entities.

Regarding the periodic demands presented by the trade unions for salary increases to meet the deterioration in the living levels of workers, Rodriguez insisted that increases made in this way will have catastrophic effects, as seen by the experience of the countries of the Southern

Hemisphere. In his view the best way of increasing real income is by stimulating investment, production, and productivity. He declined to give an opinion on the new draft labor law, whose imminent approval has unleashed an intense debate between political, industrial, and labor sectors.

* Former President on Impact of Perez' Policies

33480229d Caracas EL NACIONAL in Spanish 19 Jun 89 p D 2

[Article by Ildemaro Alguindigue]

[Text] Valencia (from a special correspondent)—Former President Luis Herrera Campins prophesied that the second half of 1989 will be considerably stirred up by the anger of the people over the high cost of living.

He said: "We are victims of real aggression on the part of speculators, and there is no true defense against that. That is a field of work for the new attorney general. Would that the social pressures, which I foresee will inevitably arise, will move in that direction, because it is not acceptable for speculators to have a free hand, and the government has no power to slow down or contain them."

He continued: "The hopes of individuals and of society as a whole for a better life are increasingly circumscribed. Recent surveys reveal that 70 percent of the Venezuelan people think that in the next few years they will live under worse conditions. This situation is very serious, because poverty is not a matter of choice. If it becomes a reality, as is happening in other developing countries, in that case the prospects do not show a way out over the short or middle term."

On another subject President Herrera Campins pointed out that there is a risk of creating new frustrations if state governors are chosen by popular vote before laws for the transfer of powers to them are approved. If this is done, the status of the governor of a state will be reduced to nothing. He expressed the view that it would be better not to undertake the reform of the state governments, just to achieve such a pitiful result, considering that so many illusions have been aroused among the people.

Regarding the economic measures taken by the government, he said that the repercussions may be rather negative, "in view of the customs duties and the freeing up of foreign trade." He said that he thought that if the government sincerely desired to do something, it should avoid the simultaneous, dual role of producer and importer. However, he said that he did not know whether there was any interest in raising this matter.

He said, referring to the time that will pass before good times return to the country, "What I do not see clearly is how long the tunnel which we are slowly entering will be. Some people, the more optimistic, think that it will be a matter of 2 years. I am afraid that when we come out into the light, we are going to find a different team from the one which submerged us in the darkness of the package of economic measures."

Regarding the labor law, he pointed out that COPEI [Social Christian Party] is committed to support it and that our members of parliament should understand that.

Finally, he was firmly of the view that the government cannot move forward without a change in the package of economic measures. The sensible thing to do is to take the pulse of the people as these measures are applied. He said that if that is done sincerely, "I think that we will have to conclude that it is necessary to make a change before the country again goes into rebellion, perhaps with greater violence and with objectives which are more specific and definite."

He continued: "I believe that we have the necessary resources to overcome the crisis. However, the government is showing its doubts with its offer of cooperation with the other parties.

"I am happy that the country is about to receive more than $700 million. However, it is undeniable that this so-called fresh money is nothing more than a new debt for the country."

The former president provided these comments after having lunched at the residence of Miguel Bello.

Suriname

President Shankar Leaves To Visit Brazil

FL0908194289 Paramaribo International Service in English 1730 GMT 9 Aug 89

[Text] President Ramsewak Shankar has this morning left toward Brazil for a 4-day official visit. The president is accompanied by a 20-person delegation. His delegation includes, among others, the ministers of foreign affairs; natural resources; education; and agriculture, animal husbandry, and fisheries. President Shankar will hold discussions with his Brazilian counterpart Jose Sarney on regional and international matters.

The agenda offered includes a visit to a research center for soybeans, [words indistinct] the Brazilian trade industry sector, and judicial institutions.

The four ministers in the delegation will also hold discussions with their Brazilian counterparts.

During his stay in Brazil, President Shankar will also visit the cities of Sao Paulo and Rio de Janeiro.

The delegation will return home on Sunday [13 August] coming.

Rensch Calls for Bouterse Resignation

FL1008125089 Bonaire Trans World Radio in English 1730 GMT 10 Aug 89

[Text] The head of Suriname's military has continued his criticism of a peace accord reached between the government and the country's rebels. Commander Desi Bouterse is describing the agreement as unworkable, but adds that he will not try to block its implementation. He says the flaws of the accord will become apparent when it begins to be put in place. Earlier this week Suriname's National Assembly approved the agreement.

Meanwhile, rebel representative in Paramaribo, Stanley Rensch, is calling for the resignation of Commander Bouterse because of his comments.

Bouterse Acknowledges Crisis

FL1008210989 Paramaribo International Service in English 1730 GMT 10 Aug 89

[Text] The commander of the National Army, Desi Bouterse, is of the opinion that there is, indeed, a political crisis in Suriname as a result of disputes between the government and the Army leadership. Vice President Henck Arron has earlier this week strongly denied this during discussions in the National Assembly on the Kourou Accord. The accord was signed 3 weeks ago between a government delegation and the terrorist gang of Ronnie Brunswijk.

Commander Bouterse yesterday told the press that the National Army is not going to fool around. He, furthermore, stated that the Army can't function optimally in an environment in which the highest authority is dishonest.

The Army commander proceeded that the Kourou Accord is a violation of the Constitution. The government will have to be very attentive in order to solve the current crisis, said Commander Desi Bouterse.